

NOTICE CONCERNING SOLICITATION

DTPH56-06-R-000005

“Pipeline and Hazardous Materials Safety Administration Integrity Management Support Services”

1. **NOTICE OF 100% SMALL BUSINESS SET-ASIDE**

In accordance with Section I, clause 52.219-6, entitled “Notification of Total Small Business Set-Aside”, this procurement has been set-aside 100% for a small business concern.

2. **LIMITATIONS ON SUBCONTRACTING**

Your attention is drawn to Section I, Clause 52.219-14 entitled “Limitations on Subcontracting” which states that at least 50% of the cost of contract performance incurred for personnel shall be expended for employees of concern.

3. **NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM (NAICS) SIZE STANDARD**

The North American Industry Classification System (NAICS) code for this acquisition is 541611. The small business size standard is \$6.5 million.

4. **SUBMISSION OF PAST PERFORMANCE PROPOSAL**

Your attention is drawn to RFP Section L, Paragraph L.14, Volume IV, Part B, “Past Performance Questionnaire.” Offerors are required to provide completed past performance questionnaires with their proposal.

5. **SOLICITATION INQUIRES**

Your Attention is drawn to RFP Section L, paragraph L.2. All solicitation questions must be submitted by e-mail no later than **September 8, 2006** by 3:00PM Eastern Daylight Time.

6. **DISCUSSIONS WITH THE TECHNICAL PERSONNEL**

Prospective offerors are cautioned against discussing the preparation of their proposal with Government technical personnel. Discussions with Government technical personnel concerning any aspect of this RFP are **STRICTLY FORBIDDEN**.

7. **SUBMISSION OF PROPOSALS**

Hand carried, delivery and mailing instructions are noted in Section L, paragraph L.3. The issuing office **MUST** receive the completed proposal no later than 3:00PM EDT, **September 15, 2006**.

8. **ONLINE REPRESENTATIONS AND CERTIFICATIONS APPLICATION (ORCA)**

According to FAR 4.12 - The Federal Acquisition Regulation (FAR) requires the Vendor to complete the online provisions in (ORCA) as a part of the proposal submission process. Visit the Internet at <http://orca.bpn.gov> for further information about ORCA and how to enter your information.

SOLICITATION, OFFER AND AWARD		1. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700)		RATING		PAGE OF PAGES 1 1			
2. CONTRACT NUMBER		3. SOLICITATION NUMBER DTPH56-06-R-000005		4. TYPE OF SOLICITATION <input type="checkbox"/> SEALED BID (IFB) <input checked="" type="checkbox"/> NEGOTIATED (RFP)		5. DATE ISSUED 08/10/2006		6. REQUISITION/PURCHASE NUMBER	
7. ISSUED BY Office of Contracts and Procurement US DOT/PHMSA/PHA-30 400 7th Street, SW Room 7118 Washington DC 20590-0001		CODE PHA-30		8. ADDRESS OFFER TO (If other than Item 7) Glen Vierk U.S. DOT / PHMSA / PHA-30 400 7th Street, SW, Room 7118 Washington, DC 20590					

NOTE: In sealed bid solicitations "offer" and "offeror" mean "bid" and "bidder".

SOLICITATION

9. Sealed offers in original and _____ copies for furnishing the supplies or services in the Schedule will be received at the place specified in Item 8, or if hand carried, in the depository located in _____ until 1500 ET local time 09/15/2006
(Hour) (Date)

CAUTION: LATE Submissions, Modifications, and Withdrawals: See Section L, Provision No. 52.214-7 or 52.215-1. All offers are subject to all terms and conditions contained in this solicitation.

10. FOR INFORMATION CALL:	A. NAME Glen Vierk		B. TELEPHONE (NO COLLECT CALLS)		C. E-MAIL ADDRESS Glen.Vierk@dot.gov	
	AREA CODE 202		NUMBER 366-5102		EXT.	

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OFFER (Must be fully completed by offeror)

NOTE: Item 12 does not apply if the solicitation includes the provisions at 52.214-16, Minimum Bid Acceptance Period.

12. In compliance with the above, the undersigned agrees, if this offer is accepted within _____ calendar days (60 calendar days unless a different period is inserted by the offeror) from the date for receipt of offers specified above, to furnish any or all items upon which prices are offered at the price set opposite each item, delivered at the designated point(s), within the time specified in the schedule.

13. DISCOUNT FOR PROMPT PAYMENT (See Section I, Clause No. 52.232.8)	10 CALENDAR DAYS (%)	20 CALENDAR DAYS (%)	30 CALENDAR DAYS (%)	CALENDAR DAYS (%)
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14. ACKNOWLEDGEMENT OF AMENDMENTS (The offeror acknowledges receipt of amendments to the SOLICITATION for offerors and related documents numbered and dated):	AMENDMENT NO.		DATE	AMENDMENT NO.		DATE

15A. NAME AND ADDRESS OF OFFEROR	CODE	FACILITY	16. NAME AND TITLE OF PERSON AUTHORIZED TO SIGN OFFER (Type or print)	

15B. TELEPHONE NUMBER		15C. CHECK IF REMITTANCE ADDRESS <input type="checkbox"/> IS DIFFERENT FROM ABOVE - ENTER SUCH ADDRESS IN SCHEDULE.	17. SIGNATURE	18. OFFER DATE
AREA CODE	NUMBER			

AWARD (To be completed by government)

19. ACCEPTED AS TO ITEMS NUMBERED		20. AMOUNT		21. ACCOUNTING AND APPROPRIATION	
22. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION: <input type="checkbox"/> 10 U.S.C. 2304 (c) () <input type="checkbox"/> 41 U.S.C. 253 (c) ()				23. SUBMIT INVOICES TO ADDRESS SHOWN IN (4 copies unless otherwise specified)	
24. ADMINISTERED BY (If other than Item 7)				25. PAYMENT WILL BE MADE BY	
CODE				CODE	
26. NAME OF CONTRACTING OFFICER (Type or print)				27. UNITED STATES OF AMERICA (Signature of Contracting Officer)	
				28. AWARD DATE	

IMPORTANT - Award will be made on this Form, or on Standard Form 26, or by other authorized official written notice.

AUTHORIZED FOR LOCAL REPRODUCTION
Previous edition is unusable

STANDARD FORM 33 (Rev. 9-97)
Prescribed by GSA - FAR (48 CFR) 53.214(c)

PART I

SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

B.1 SERVICES

The Pipeline and Hazardous Materials Safety Administration (PHMSA) uses a contractor to support the ongoing and expected new challenges of its integrity management mission. The contractor must furnish all necessary labor necessary to provide the services as set forth in Section C.1, Performance Work Statement.

B.2 PERFORMANCE BASED COST REIMBURABLE PLUS AWARD FEE/AWARD TERM

<u>Contract Period</u>	<u>Est. Cost</u>	<u>Base Fee</u>	<u>Award Fee Pool</u>	<u>Total Est. Cost Plus Award Fee</u>
Base Year	\$_____	\$_____	\$_____	\$_____
Option Year 1	\$_____	\$_____	\$_____	\$_____
Option Year 2	\$_____	\$_____	\$_____	\$_____
Option Year 3	\$_____	\$_____	\$_____	\$_____
Option Year 4	\$_____	\$_____	\$_____	\$_____
*Award Term 1	\$_____	\$_____	\$_____	\$_____
*Award Term 2	\$_____	\$_____	\$_____	\$_____
*Award Term 3	\$_____	\$_____	\$_____	\$_____
*Award Term 4	\$_____	\$_____	\$_____	\$_____
*Award Term 5	\$_____	\$_____	\$_____	\$_____
Total Contract	\$_____	\$_____	\$_____	\$_____

* The contractor may earn a maximum of 5 Award Term years (see Section B.4 "Award Term")

B.3 AWARD FEE

1. The amount of award fee the contractor earns, if any, is based on the Government's evaluation of the quality of the contractor's performance in accordance with **Attachment J-2, "Award Fee/Term Plan."**
2. The Government will determine the amount of the Award Fee every six (6) months beginning six (6) months after contract award. The Performance Evaluation Board (PEB) will evaluate the Contractor's performance and recommend an award fee amount to the Fee Determination Official (FDO). The FDO determines the amount of award fee to be granted to the Contractor. This determination is not subject to the "Disputes" clause FAR 52.233-1.
3. The amount of award fee will be submitted to the Contractor via a unilateral modification. The contractor may submit a voucher for the earned award fee.
4. The Government may unilaterally change the award fee plan at any time and will provide such changes in writing to the contractor prior to the beginning of the applicable evaluation period. Available award fee not earned during one period does not carry over to subsequent periods.

B.4 AWARD TERM

An award term is linked to the award fee that will be determined every 6 months after the start of the contract. The contractor can earn an award term for each contract year (Base period and 4 option years); the maximum number of award terms that can be earned is 5. The contractor will need to maintain a minimum score for each evaluation period – as evaluated and scored in the Award Fee Evaluation Plan – to earn an award term. Each contract year begins a new evaluation period and opportunity to earn an award term.

If the contractor achieves an award term, the contractor can still earn the award fee. This is to ensure a continued high level of performance. If the Government determines the performance has diminished (as will be determined through the award fee evaluation process) during the award term, the government reserves the right to Stop Work and /or terminate the contract.

Although the contractor may earn the award terms for the base and options years of the contract, the government reserves the right to exercise those terms. If the government does not exercise an option year all subsequent award terms are null and void.

B.5 REIMBURSEMENT OF COSTS

1. Allowable Costs

For the performance of this contract, the Contractor may be reimbursed for direct and indirect costs incurred that are determined as allowable under the Federal Acquisition Regulation (FAR) Parts 31.2, 31.3, 31.6, or 31.7, as applicable, and with FAR clauses entitled ALLOWABLE COST AND PAYMENT (FAR 52.216-7) of Section I of the contract.

2. Limitations

Reimbursement of the direct and indirect costs will not exceed the contract amount, which is presently allowable and obligated under this contract, subject to FAR clause, entitled LIMITATION OF FUNDS (FAR 52.232-22) of Section I of this contract.

[END OF SECTION B]

SECTION C - DESCRIPTION/SPECIFICATIONS/ PERFORMANCE WORK STATEMENT

INTRODUCTION

The Pipeline and Hazardous Materials Safety Administration (PHMSA) within the Department of Transportation (DOT), has responsibility for the regulation of hazardous materials transportation by highway, rail, air, water and pipeline. PHMSA is the primary federal regulatory agency responsible for ensuring that the Nation's 2.3 million miles of natural gas and hazardous liquid pipelines are safe, reliable, and environmentally sound. From the federal level, PHMSA develops, implements, and enforces the regulations concerning pipeline construction, maintenance and operation. We share enforcement responsibilities with our state pipeline safety partners.

The nation's pipelines are a transportation system that enables the safe movement of extraordinary quantities of energy products to industry and consumers, literally fueling our economy and way of life. The arteries of the Nation's energy infrastructure, as well as the safest and least costly ways to transport energy products, our oil and gas pipelines provide the resources needed for national defense, heat and cool our homes, generate power for business and fuel an unparalleled transportation system.

Over the past several years, PHMSA has strengthened its role in assuring the safety of the nation's pipeline system in numerous ways, including promulgating new regulations on integrity management (IM). These new regulations, together with the new inspection processes being used by regulators to evaluate operator compliance, rely for their effectiveness on the operators' access to new technologies that support improved safety and integrity performance and on regulators' access to information on the appropriate use and limitations of these technologies.

Please visit <http://primis.phmsa.dot.gov/comm/> for a full description of PHMSA's various pipeline safety programs and how this contract will support many of these vital safety initiatives.

REQUIREMENT

PHMSA uses a contractor to support the ongoing and expected new challenges of its integrity management mission. Support is on demand services in the form of technical reports, briefs, white papers, training curriculums, inspection protocols, database & website management, PowerPoint slideshows and physical travel to attend and execute requested support.

The support structure is divided into three tasks. The tasks and sub-tasks are in support of the PHMSA pipeline safety mission. Please view the individual task performance work statements for detailed scope descriptions. See Section C.1, Performance Work Statement, below.

Task 1 – Support for Integrity Management Program

1A – Support implementation of PHMSA's Natural Gas IM program

1B – Support implementation of PHMSA's Hazardous Liquid IM program

1C – Support development and implementation of PHMSA's Natural Gas Distribution IM program

Task 2 – Support for Communications, Research & Development and Encroachment Programs

2A – Communications

2B – Research & Development

2C – Encroachment

Task 3 - Support Integration for Inspection, Strategy, Performance Management, Enforcement, Operator Qualifications and Statutory Issues

3A – Inspection Integration

3B – Strategic Planning

3C – PHMSA Performance Management/Data-Driven Organization

3D – Enforcement

3E – Operator Qualification

3F – Program Issues

C.1 PERFORMANCE WORK STATEMENT

The Contractor is to provide the following support services within the three task areas:

Task 1: Support for Integrity Management Program:

Introduction: The contractor must provide necessary technical, management, and administrative services to support PHMSA in implementing the IM initiative. This initiative is intended to increase public confidence in the pipeline infrastructure by requiring operators to develop and implement comprehensive integrity management programs. The contractor is to support PHMSA in inspecting, and enforcing existing hazardous liquid & natural gas IM regulations, carrying out related training activities, and developing an oversight approach for natural gas distribution integrity management.

Outline of Tasks:

1.A Support implementation of PHMSA's Natural Gas IM program. Provide support to PHMSA for inspection, training, and enforcement of the gas IM program consisting of the following.

- Assist PHMSA in resolving and communicating technical and regulatory interpretation issues;
- Assist in closing National Transportation Safety Board's (NTSB) recommendations to PHMSA;
- Maintain the web site to communicate information on gas IM requirements to the public and industry;
- Complete and revise inspection protocols and guidance for inspectors to use when evaluating gas operator IM programs;
- Develop and deliver training for inspectors on gas IM requirements and related subjects (e.g., Direct Assessment);
- Maintain an information system to support gas IM inspections;
- Maintain a risk-based inspection prioritization process;
- Review and comment on reports related to gas IM;
- Assist PHMSA's outreach efforts to trade and industry groups regarding gas IM issues;
- Assist PHMSA in conducting IM inspections and documenting related inspection and enforcement activity;
- Review and process operator notifications required by IM regulations, and

- Track and consolidate data PHMSA can use to report inspection and enforcement progress to stakeholders (such as Congress, Government Accountability Office (GAO) or the Inspector General (IG));
- Maintain the Integrity Management Database (IMDB) as part of the broader Pipeline Risk Management Information System (PRIMIS) website located at <http://primis.phmsa.dot.gov/> that supports inspectors' data storage and analysis needs;
- Support the IMDB and PRIMIS website in accordance with Office of Management and Budget (OMB) Exhibit 300 requirements; and
- Assist PHMSA in transitioning gas IM to regions and in region-directed re-inspections of gas transmission operators.

1.B Support implementation of PHMSA's Hazardous Liquid IM program. Provide support to PHMSA for inspection, training, and enforcement of the liquid IM program consisting of the following.

- Assist PHMSA in resolving and communicating technical and regulatory interpretation issues;
- Assist in closing NTSB's recommendations to PHMSA;
- Maintain the web site to communicate information on liquid IM requirements to the public and industry;
- Complete and revise inspection protocols and guidance for inspectors to use when evaluating liquid operator IM programs;
- Develop and deliver training for inspectors on liquid IM requirements and related subjects (e.g., Direct Assessment);
- Develop and maintain an information system to support liquid IM inspections;
- Develop a risk-based inspection prioritization process;
- Review and comment on reports related to liquid IM;
- Assist PHMSA's outreach to trade and industry groups regarding liquid IM issues;
- Assist during PHMSA's IM inspections, and document related inspection and enforcement activity and assist PHMSA in region-directed re-inspections of liquid transmission operators;
- Review and process notifications required by IM regulations;
- Track and consolidate data PHMSA can use to improve inspection effectiveness and to report inspection and enforcement progress to stakeholders (such as Congress, GAO and IG);
- Maintain the IMDB as part of the broader PRIMIS website located at <http://primis.phmsa.dot.gov/> that supports inspectors' data storage and analysis needs; and
- Support the IMDB and PRIMIS website in accordance with OMB Exhibit 300 requirements.

1.C Support development and implementation of PHMSA's Natural Gas Distribution IM program. Provide support to PHMSA while it develops and finalizes requirements for natural gas distribution pipeline operators to incorporate integrity management measures into their systems.

- Support the development of guidance material in defining and implementing the Distribution IM (DIMP) requirement;
- Assist in closing NTSB recommendations against PHMSA;
- Facilitate and/or document DIMP-related meetings;
- Review and analyze studies related to improving the safety of distribution systems;
- Collect information related to existing safety implementation practices;
- Track and consolidate data that PHMSA can use to improve inspection effectiveness as well as to report inspection and enforcement progress to stakeholders (such as Congress and the GAO);

- Once a DIMP rule is final, provide support to PHMSA for implementation, inspection, training, and enforcement of the DIMP program;
- Assist PHMSA in resolving and communicating technical and regulatory interpretation issues;
- Maintain the web site to communicate information on DIMP requirements to the public and industry;
- Complete and revise inspection protocols and guidance for inspectors to use when evaluating natural gas distribution operator IM programs;
- Develop and deliver training for inspectors on DIMP requirements and related subjects (e.g., Direct Assessment);
- Develop and maintain an information system to support DIMP inspections;
- Develop a risk based inspection prioritization process;
- Review and comment on reports related to DIMP;
- Assist PHMSA's outreach to trade and industry groups regarding DIMP issues;
- Assist PHMSA in conducting DIMP inspections, and document related inspection and enforcement activity;
- Review and process notifications;
- Track and consolidate data PHMSA can use to report inspection and enforcement progress to stakeholders (such as Congress, GAO and IG);
- Maintain the IMDB as part of the broader PRIMIS website located at <http://primis.phmsa.dot.gov/> that supports inspectors' data storage and analysis needs;
- Support the IMDB and PRIMIS website in accordance with OMB Exhibit 300 requirements; and
- Assist PHMSA in organizing and preparing for public meetings related to DIMP and Excess Flow Valves.

Task 2: Support for Communications, Research & Development and Encroachment Programs.

Introduction: The contractor must provide necessary technical, management, and administrative services to support the Pipeline and Hazardous Materials Safety Administration (PHMSA) in implementing, maintaining and coordinating its Communication, Research & Development and Encroachment Programs.

Outline of Tasks:

2.A Communications. Provide support to PHMSA for enhancing communications among regulators, local community officials, the public, and the industry.

- Support administration and maintenance of the PHMSA Stakeholders Communication Website located at <http://primis.phmsa.dot.gov/comm/> ;
- Support development of new content for the PHMSA Stakeholders Communication website resulting from program staff consultation;
- Communicate the results of the program on controller certification (C-CERT). Communication will involve interaction with safety advisory committees and public stakeholders; and
- Support development and implementation of a plan to assess the effectiveness of PHMSA communication initiatives and processes (including the PHMSA Stakeholders Communication website) in accordance with Government Accountability Office (GAO) guidelines and the Office of Management and Budget (OMB) Exhibit 300 requirements.

2.B Research & Development (R&D).

- Support PHMSA's R&D planning, its communications and public outreach regarding R&D;
- Support administration of the R&D Management Information System (MIS) as part of the broader Pipeline Risk Management Information System (PRIMIS) located at <http://primis.phmsa.dot.gov/> ;
- Support module maintenance of the R&D MIS to track, collect and report project and program level performance to Congress, GAO, Inspector General (IG) and other stakeholders;
- Support development and population of new R&D MIS modules for future research solicitations, to accommodate white paper and proposal submission and review;
- Support administration and maintenance of the PHMSA Pipeline Safety R&D Program website located at <http://primis.phmsa.dot.gov/rd/> to include project and program level information;
- Support both the R&D MIS and program website in accordance with OMB Exhibit 300 requirements;
- Attend Pipeline R&D Forums (TBD/18 month cycle) and facilitate and document selected sessions;
- Support administration of periodic Blue Ribbon Panel meetings held with various pipeline stakeholders through attendance, facilitation and note keeping;
- Support technical and editorial review of draft R&D Fiscal Update Reports to Congress as required by the Pipeline Safety Improvement Act of 2002;
- Support periodic updating of R&D Strategic and Performance Plans; and
- Document discussions at annual Peer Review sessions.

2.C Encroachment. Support PHMSA in identifying, developing and implementing the necessary tools and processes for ensuring that local government officials' land use decisions appropriately consider pipeline safety.

- Develop guidance describing how risk characterization might be used to support decisions related to land use, and how these techniques are being used elsewhere in the world; and
- Provide continuing support to the Pipeline and Informed Planning Alliance (PIPA) process, by supporting PHMSA participation on a working group focusing on the development and application of risk decision processes.

Task 3: Support Integration for Inspection, Strategy, Performance Management, Enforcement, Operator Qualifications and Statutory Issues.

Introduction: The contractor must provide necessary technical, management, and administrative services to support the Pipeline and Hazardous Materials Safety Administration (PHMSA) in Inspection, Strategy, Performance Management, Enforcement, Operator Qualifications and other program issues.

Outline of Tasks:

Provide support to PHMSA in integrating PHMSA's traditional pipeline safety inspections with IM inspections, in its strategic planning, in setting data-driven priorities, in re-engineering its pipeline safety enforcement program, in reviewing its Operator Qualification (OQ) inspection process, and insuring that related pipeline safety regulatory issues are satisfactorily addressed.

3.A Inspection Integration. Provide support to PHMSA's pipeline safety inspection integration workgroup to include the following -

- Scoping its mission;
- Identifying affected inspection processes;
- Developing a plan and milestones;
- Incorporating stakeholder support and comment;
- Designing and pilot testing integrated inspection processes and protocols;
- Training inspectors to use integrated protocols (assuming PHMSA approval of integrated inspection approach);
- Ensuring requisite web sites and information systems are developed or modified to support integrated inspection activities; and
- Supporting requisite websites and information in accordance with Office of Management and Budget (OMB) Exhibit 300 requirements.

3.B Strategic Planning. Facilitate PHMSA's Office of Pipeline Safety efforts to implement its strategic plan by assisting PHMSA in aligning annual pipeline safety program plans and management performance plans with high priority initiatives. Ensure that PHMSA pipeline safety strategic initiatives satisfy OMB Performance Assessment & Rating Tool (PART), and are consistent w/DOT-wide strategic planning efforts.

3.C PHMSA Performance Management/Data-Driven Organization. Provide support to PHMSA's Office of Pipeline Safety in becoming a data-driven organization to include assisting PHMSA in—

- Developing a management plan for the data-driven organization that includes a Project Logic Model tying activities to PHMSA safety goals;
- Expanding and improving sources of risk-related information;
- Improving analyses of data and means of translating data into risk information supportive of management decision-making;
- Understanding the implications of risk information to regulatory decisions;
- Better communicating information including development of management reports;
- Expanding use of risk-based performance metrics;
- Developing organizational options for assigning responsibility and accounting to data collection and analysis functions;
- Facilitating PHMSA efforts to implement its pipeline safety performance plan by assisting in aligning annual pipeline safety program plans and personal performance plans with high priority initiatives; and
- Ensuring that PHMSA pipeline safety performance initiatives satisfy OMB Program Assessment Rating Tool (PART), and are consistent w/DOT-wide strategic and performance planning efforts.

3.D Enforcement. Support PHMSA's implementation of the pipeline safety enforcement program to include the following-

- Creating new guidance tools for PHMSA pipeline safety staff;
- Communicating and sharing of information among PHMSA staff, with States and other agencies, with the Government Accountability Office and other stakeholders, and with the regulated community;
- Creating new pipeline safety enforcement processes or modifying existing processes as identified by the ongoing enforcement reengineering task; and
- Creating and implementing new information management capabilities. These new information capabilities will support the need and guidance tools to determine performance assessments.

3.E Operator Qualification (OQ). Provide PHMSA continued support implementing its OQ program for pipeline personnel to include the following -

- Administration and maintenance of the Operator Qualification Database (OQDB) web application as part of the broader Pipeline Risk Management Information System (PRIMIS) located at <http://primis.phmsa.dot.gov/> and integration of the OQ program with other PHMSA program elements; and
- Supporting the OQDB web application in accordance with OMB Exhibit 300 requirements; and
- Providing support in responding to Congressional, pipeline trade associations and the National Transportation Safety Board inquiries.

3.F Program Issues. With case by case direction and on as-needed basis only, provide short turn-around support to PHMSA in responding to information requests from Congress, GAO, National Transportation Safety Board, Inspector General, and other stakeholders on issues related to the Statement of Work of this contract.

C.2 REQUIRED AREAS OF EXPERTISE

The contractor must provide a designated lead and, where appropriate, additional staff for each subtask. The subtask leader and additional staff must have the appropriate knowledge, skills and abilities to bring specified PHMSA support to satisfactory completion. Specifics of the depth and range of expertise is required for each area. PHMSA desires expertise gained from leading versus supporting prior client needs.

- a. Demonstrated petroleum engineering experience and or special emphasis on oil and gas pipeline operations;
- b. Documented knowledge of and experience using U.S. Title 49 of the Code of Federal Regulations, Parts 190, 191-192, 193, 194, 195, 198 and 199
- c. Documented knowledge of and experience using the various consensus standards applied in the oil and gas pipeline industry and incorporated in the pipeline safety regulations;
- d. Documented knowledge of and experience addressing various internal and externally applied technologies applied in the oil and gas pipeline industry;
- e. Documented knowledge of and experience using direct assessment processes and protocols;
- f. Demonstrated public speaking experience and strong writing skills;
- g. Documented knowledge of and experience in database administration of electronic storage systems;
- h. Documented experience in website development and management;

C.3 DELIVERABLES

Monthly Progress Reports are tied to and must be submitted with monthly invoicing. In accordance with Section F.4, Monthly Progress Report, the Contractor is to deliver one (1) copy of the Monthly Progress Report described in Section G.4 to the COTR named in Section G.7 and one (1) copy to the Contract Administrator named in Section G.6 on or before the 10th of the month following the calendar month being reported. Monthly Progress Reports must also include listing of staff security clearances as defined in Section H. Other deliverables are on demand services in the form of technical reports, briefs, white papers, training curriculums, inspection protocols, database & website management, PowerPoint slideshows and physical travel to attend and execute requested support.

C.4 INVOICING

The contractor is to submit a monthly invoice for each task total but not for each subtask. Complete requirements and details are found in Section G.4 and Section J-1.

C.5 PERIOD OF PERFORMANCE

The contract will be for a maximum period of ten (10) years. It will have a base period of one (1) year with four (4) possible option years. In addition, the contract will have five (5) possible award term years tied to performance during the first five (5) years.

C.6 FACILITIES

The contractor will provide the facilities required for all of the work executed under this contract.

[END OF SECTION C]

SECTION D - PACKAGING AND MARKING

D.1 MARKING

All information submitted to the Contracting Officer or Contracting Officer's Technical Representative (COTR) must include the contract number of the contract for which the information is being submitted. Until the contract is awarded, the offeror is to use the solicitation number referenced above in all correspondence pertaining to this requirement.

D.2 PACKAGING

Preservation, packing, and packaging of items for shipment must comply with commercial practice and be adequate for acceptance by common carrier for safe transportation at the most economical rates.

D.3 F.O.B. POINT

All items must be shipped F.O.B. destination.

[END OF SECTION D]

SECTION E - INSPECTION AND ACCEPTANCE

E.1 52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also the full text of a clause may be accessed electronically at this/these website addresses:

<http://www.dot.gov/ost/m60/tamtar/tar.htm>

<http://farsite.hill.af.mil/vffar.htm>

<http://www.arnet.gov/far>

(End of Clause)

E.2 FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1) CLAUSES

52.246-5 INSPECTION OF SERVICES—COST REIMBURSEMENT (APR 1984)

52.246-6 INSPECTION – TIME-AND-MATERIALS and LABOR-HOUR (MAY 2001)

E.3 INSPECTION AND ACCEPTANCE

The COTR will inspect and accept all work and deliverables required under this RFP. The COTR is identified in Section G.7 of this RFP.

[END OF SECTION E]

SECTION F - DELIVERABLES OR PERFORMANCE

F.1 NOTICE LISTING CLAUSES INCORPORATED BY REFERENCE

The following contract clause pertinent to this section is hereby incorporated by reference (by Citation Number, Title, and Date) in accordance with the clause at FAR "52.252-2 CLAUSES INCORPORATED BY REFERENCE" in Section I of this contract. The full text may be accessed electronically at this Internet address: <http://www.arnet.gov/far>.

FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER I) CLAUSES

52.242-15 STOP-WORK ORDER (AUG 1989)

F.2 PERIOD OF PERFORMANCE

The period of Performance of this contract is for a Base Year (twelve (12) months) after the effective date of award, plus four (4) possible Option Years, plus five (5) possible award term years for a maximum total of ten (10) years.

F.3 PLACE OF DELIVERY

All deliverables required under the contract are to be delivered under transmittal letter, to the following addresses:

Contracting Officer's Technical Representative (COTR)

U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration (PHMSA)
Office of Pipeline Safety, PHP
400 7th Street, S.W., Rm. 2103
Washington, D.C. 20590-0001
Attn: Mr. Robert Smith **E-mail: robert.w.smith@dot.gov**

Contracting Officer:

U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration (PHMSA)
Office of Contracts and Procurement, PHA -30
400 7th Street, S.W., Rm. 7118
Washington, D.C. 20590-0001
Attn: Mr. Warren D. Osterberg **E-mail: warren.osterberg@dot.gov**

F.4 DELIVERABLES

1. **Monthly Progress Report:** Monthly Progress Reports are tied to and must be submitted with monthly invoicing. In accordance with Section G.4, Monthly Progress Report, the Contractor is to deliver one (1) hard copy and one (1) digital copy of the Monthly Progress Report described in Section G to the above named COTR and one (1) hard copy to the Contract Administrator named in Section G.6. on or before the 10th of the month following the calendar month being reported.
2. **Proof of Insurance:** In accordance with Section H.6, Insurance, Proof of Insurance must be submitted within ten (10) days after notice of contract award.
3. **IT Security Plan:** In accordance with Section H.8, DOT Information Security Requirements, the contractor must provide an IT Security Plan within 30 days after contract award. The Security Plan is to describe the processes and procedures the contractor will follow to ensure the appropriate security of IT resources developed, processed, or used in performing the work under this contract.

F.5 TASK ORDER DELIVERABLES

Each task order (Refer to section G) must contain a list of deliverables and dates by which the deliverables are due. When requested by the COTR, deliverables are to be sent directly to the COTR, with a copy of the transmittal letter to the Contracting Officer. Deliverables may include technical reports, briefs, white papers, training curriculums, inspection protocols, database and website management, PowerPoint slideshows and physical travel to attend and execute requested support

F.6 PLACE OF PERFORMANCE

The services to be provided under this contract are to be performed primarily at the contractor's facilities unless otherwise directed by the Government COTR. See Section G.15 - Estimated Travel for anticipated contractor travel requirements.

[END OF SECTION F]

SECTION G - CONTRACT ADMINISTRATION DATA

G.1 TYPE OF CONTRACT

The Government contemplates a Performance-Based Cost Reimbursable plus Award Fee/Award Term type contract.

G.2 ORDERING LIMITATIONS

Total Contract Ordering Amount – The aggregate of all task orders written under this contract will not exceed \$65 million over the life of the contract.

Minimum Task Order 1 – The minimum order amount of this task order is \$1,000 per order.

Maximum Task Order 1 – The maximum amount for services under this task order is \$40 million.

Minimum Task Order 2 – The minimum order amount of this task order is \$1,000 per order.

Maximum Task Order 2 – The maximum amount for services under this task order is \$9 million.

Minimum Task Order 3 – The minimum order amount of this task order is \$1,000 per order.

Maximum Task Order 3 – The maximum amount for services under this task order is \$16 million.

Minimum Value of Services – The Government guarantees to order a minimum of \$50,000 of services during the life of this contract.

G.3 TASK ORDER PROCEDURES

Performance under this contract is subject to the following ordering procedures. All funds expended under the contract will be incurred and accounted for under individual task orders.

- (A) The Government will reimburse the contractor only for costs incurred in performing a task order or task order modification issued in accordance with the ordering procedure described in this section. The task order or the contract may contain cost limitations (such as contract price ceilings, ordering limitations, etc.). No other costs are authorized unless the Contracting Officer has given written consent.
- (B) The contractor will perform the work on an as-needed basis, within the scope of the contract. The exact nature and extent of the contractor's work under this contract will be based on written task orders the Government develops. Within 10 working days after the Contractor receives a Statement of Work (SOW) with task objectives, the contractor will submit to the Contracting Officer a Task Order Proposal. A Task Order Proposal must contain at minimum:
 - 1. Identification of the task to be performed and any deliverables.
 - 2. Period of Performance and Schedule of Work.
 - 3. Estimated level of effort, types of staffing and number of labor hours, including those in (5) below.
 - 4. Travel, equipment and material estimates, as necessary.
 - 5. An estimate for subcontractors and consultants, including direct labor hours and cost information, if applicable.
 - 6. Estimated cost information broken down by cost element.
 - 7. Total estimated cost for completion of the task order.
 - 8. Proposed base plus Award fee.
- (C) Once PHMSA and the contractor agree on an estimate, PHMSA will issue a task order and the contractor can proceed with conduct of the work.

- (D) Each task order will be issued under a separate document entitled, “TASK ORDER”. Each task order will contain, at a minimum, the following information.
1. Name and signature of the Contracting Officer.
 2. Contract number, task order number and effective date.
 3. Description of task including deliverables.
 4. Estimated cost.
 5. Estimated level of effort
 6. Travel authorized (when appropriate).
 7. Documentation and reporting requirements.
 8. Delivery/performance schedule.
 9. Base plus Award Fee.
 10. Any other necessary information.
- (E) The Contracting Officer may modify a task order according to the same procedures for issuing a task order.
- (F) If the contractor, at any time during task order performance, has reason to believe the cost or number of labor hours will exceed the estimates set forth in the task order, the contractor must immediately notify the Contracting Officer in writing and suggest a revised estimate to complete the work. The Contracting Officer will make the final determination of the approved cost for each task order.
- (G) Any unresolved task order terms or conditions are subject to the Disputes clause (except Award Fee determinations).
- (H) If a conflict arises between the terms and conditions of a task order and this contract, the contract language prevails.

NOTE: Although an executed (signed) task order may direct the contractor to perform work, work performed, and costs incurred, under any given task order are limited to the obligated dollars available under the task order.

G.4 MONTHLY PROGRESS REPORT & VOUCHER SUBMISSION

During performance of the work as described in Section C of the contract, the Contractor must submit one (1) hard copy of a monthly Progress Report to the Contract Administrator, named in Section G.6, and one (1) hard copy and one (1) digital copy to the COTR, named in G.7. below, on or before the **10th** of the month following the calendar month being reported. This report is tied to the monthly voucher submission and must contain, at minimum, the following information:

(1) A color coded, qualitative table reporting monthly and cumulative task and sub-task spend rates. Spend rate color codes are green for “At or below budget”, yellow for “Slightly above budget” indicating one month above budget and red for “Above budget” indicating two or more months above budget. PHMSA can provide an example template at award.

(2) A table reporting quantitative reporting monthly and cumulative task and sub-task spend rates. The table must illustrate the total authorized amount by task, including award fee, last invoice, cumulative costs, remaining task costs, percent of total task complete and current month invoice amount by task and sub-task. The table must also summarize the total contract costs.. Figures must also be given reporting the monthly and cumulative contract total and contract to date costs for each task. PHMSA can provide an example template at award.

- (3) A table for each task itemizing all contract personnel and summarizing contract to date hours, current month hours, labor rate and labor costs for the reporting month. PHMSA can provide an example template at award.
- (4) A table for each task itemizing by employee all contract and sub-contract personnel contract to date travel costs and the reporting month. PHMSA can provide an example template at award.
- (5) A color coded, qualitative and quantitative table reporting each monthly and cumulative sub-task spend rate. Spend rate color codes are green for "At or below budget", yellow for "Slightly above budget" indicating one month above budget and red for "Above budget" indicating two or more months above budget. PHMSA can provide an example template at award.
- (6) A bulleted narrative of the items completed during the month for each sub-task. An example template can be provided by PHMSA upon initial award.
- (7) A chart showing current and cumulative expenditures versus planned expenditures. The submission of the above report (paragraph G.4) does not relieve the Contractor of its responsibilities under special provision G.5, "Report of Problems," as set forth below, and the LIMITATION OF COSTS clause FAR 52.232-20, as set forth in Section I of this contract.
- (8) An updated list of current staff on the contract, including the following information: employee name, start date, end date (if applicable), and job title.
- (9) An updated list of employee security clearances.

G.5 REPORTS OF PROBLEMS

In addition to the Progress Reports specified above, the Contractor must bring actual or potential problems to the attention of the Contracting Officer as soon as they are known. Oral reports are to be followed by written narrative reports to the Contracting Officer within 10 working days after discovery.

The Contractor must provide a procedure to address unresolved contractual problems. The procedure must include the names and telephone numbers of those corporate executives who would be involved in resolving any contractual problem.

G.6 RESPONSIBILITY FOR CONTRACT ADMINISTRATION

CONTRACTING OFFICER: The Contracting Officer (CO) has the overall responsibility for this contract. The CO alone, without delegation, is authorized to take actions on behalf of the Government to modify contract terms, conditions, requirements, specifications, and delivery schedules. The Contracting Officer for this contract is:

U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration (PHMSA)
Office of Contracts and Procurement, PHA-30
400 7th Street, S.W., Rm. 7118
Washington, D.C. 20590-0001
Mr. Warren D. Osterberg
Telephone: (202) 366-6942

E-mail: warren.osterberg@dot.gov

CONTRACT ADMINISTRATOR: The Contract Administrator is responsible for the daily contract administration of this contract. The Contract Administrator for this contract is:

U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration (PHMSA)
Office of Contracts and Procurement, PHA-30
400 7th Street, S.W., Rm. 7118
Washington, D.C. 20590-0001
Mr. Glen Vierk **E-mail: glen.vierk@dot.gov**
Telephone: (202) 366-5102

G.7 CONTRACTING OFFICER'S TECHNICAL REPRESENTATIVE (COTR)

(a) The COTR is responsible for the technical administration of this contract and technical liaison with the Contractor. The COTR will be responsible for the daily operation of the tasks. The COTR will review invoices and the Monthly Status Report. He/she is authorized to give technical direction and review and recommend approval of:

- (1) Technical matters not involving a change in the scope, price, terms or conditions of this contract;
- (2) Progress Reports;
- (3) Inspection and acceptance of supplies/services; and
- (4) Invoices.

(b) The **COTR IS NOT** authorized to issue technical instructions that:

- (1) Institute additional work outside the scope of the contract;
- (2) Constitute a change as defined in FAR 52.243-2;
- (3) Cause an increase or decrease in the estimated cost of the contract;
- (4) Alter the period of performance; and
- (5) Change any of the other express terms or conditions of the contract.

(c) The COTR for this contract is:

U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration (PHMSA)
Office of Pipeline Safety, PHP-13
400 7th Street, S.W., Rm. 2103
Washington, D.C. 20590-0001
Attn: Mr. Robert Smith **E-mail: robert.w.smith@dot.gov**

G.8 SUBMISSION OF VOUCHERS

The Contractor must submit monthly vouchers in accordance with **Attachment J-1 "Voucher Format Requirements"** (one original and two copies) to the following addresses:

Original

U.S. Department of Transportation
PHMSA/Financial Operations, AMZ-150
P.O. Box 269039
Oklahoma City, OK 73126-9039

Copy 1

U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration (PHMSA)
Office of Pipeline Safety, PHP-13
400 7th Street, S.W., Rm. 2103
Washington, D.C. 20590-0001
Attn: Mr. Robert Smith

Copy 2

U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration (PHMSA)
Office of Contracts and Procurement, PHA-30
400 7th Street, S.W., Rm. 7118
Washington, D.C. 20590-0001
Attn: Mr. Glen Vierk

G.9 SUPPLEMENTAL VOUCHER REQUIREMENTS

The Contractor must include information described in Attachment J-1.

G.10 ELECTRONIC PAYMENT

In accordance with Section I clause 52.232-33 - PAYMENT BY ELECTRONIC FUNDS TRANSFER—CENTRAL CONTRACTOR REGISTRATION. (OCT 2003)

The Government will make payments under this contract by electronic funds transfer (EFT). As used in this clause, the term "EFT" refers to the funds transfer and may also include the payment information transfer.

Please refer to the full text of this clause for additional information on the electronic funds transfer (EFT). Additional information on the Central Contractor Registration may be obtained from the following website address:<http://www.ccr.gov/>.

G.11 CONTRACTOR PERSONNEL IDENTIFICATION

The COTR will arrange for issuance of a Government Contractor's Identification Card for the Contractor Personnel whose normal duties include work and activities in the DOT/PHMSA Headquarters Building, Washington, D.C. and Regional offices. When a contractor employee is in the DOT building, the employee must wear an identification badge on the employee's outer garment at all times. When a contractor employee no longer has duties under the contract necessitating the employee's presence in the DOT building, the COTR will request the necessary information for cancellation or disposal of the ID badge. All on-site Contractor personnel must abide by the DOT security policy in DOT Order 1630.2B, Personnel Security Management.

G.12 CONTRACTOR SUPERVISION

This is a non-personal services contract per FAR 37.101. The Contractor must supervise its staff. Government personnel are not authorized or permitted to supervise any Contractor personnel. The Contractor's Project Manager for this contract, (insert name), must ensure that these contract requirements are fulfilled.

G.13 SUBCONTRACTS - ADVANCE NOTIFICATION AND CONSENT

Under this contract, the requirement of FAR 44.2, CONSENT TO SUBCONTRACTS, have been fulfilled for the following subcontracts:

[TBD]

Any future change or revision to the Statement of Work or Other applicable aspects of this contract must include the subcontract(s) only to the extent that performance of the subcontract(s) is directly affected by the change or revision.

G.14 CONTRACT PERSONNEL, SUBCONTRACTORS AND/OR OTHER PARTIES WORKING FOR THE PRIME

If in the best interests of the Government, the Contracting Officer may request the contractor to remove or replace from work being performed under the contract, any contractor employee, subcontractor, or other party working for the prime contractor. The Contracting Officer must approve, in writing, personnel replaced as a result of the Contracting Officer's request for removal, before the replacement begins work on this contract.

G.15 ESTIMATED TRAVEL

The contract will have significant travel in support of PHMSA. Average annual travel data is shown for Task Order 1, Task Order 2, and Task Order 3. Task Order 1 has significant travel demands due to its in-field support of integrity management inspections and audits. The following breaks out the historical travel data into the three tasks:

<i>Task Order 1</i>	189 trips	5.60% of Labor Costs
<i>Task Order 2</i>	10 trips	1.06% of Labor Costs
<i>Task Order 3</i>	37 trips	4.14% of Labor Costs
<u>Contract Total</u>	<u>219 trips</u>	<u>4.36% of Labor Costs</u>

G.16 TRAVEL AND PER DIEM

Travel and Per Diem authorized under this contract will be reimbursed according to the Government Travel Regulations currently in effect. Current per diem rates are listed at:

<http://policyworks.gov/org/main/mt/homepage/mtt/perdiem/travel.shtml>.

Travel requirements under this contract are to be met using the most economical form of transportation available. All travel is to be scheduled sufficiently in advance, to the extent practicable, to take advantage of offered discount rates. Other travel arrangement must be authorized in writing by the Contracting Officer.

Costs are allowable only if the following information is documented (FAR 31.205-46(a)(7)):

1. Date and place (city, town, or other similar designation) of the expenses;
2. Purpose of the trip; and
3. Name of person on trip and that person's title or relationship to the contractor.

G.17 HOURS OF WORK

The Contractor must schedule the work hours to provide maximum responsiveness in fulfilling the required services. PHMSA observes a five (5) day work week. The normal hours of operation are 8:00 A.M. to 5:00 P.M. The normal work-day is 8 hours, plus ½ hour for lunch. Emergency or high priority situations as defined by the COTR may require after hours and weekend Contractor support.

G.18 HOLIDAYS AND GOVERNMENT AUTHORIZED LEAVE

Government personnel observe the holidays listed below. When any such day falls on a Saturday, the preceding Friday is observed. When any such day falls on Sunday, the following Monday is observed.

New Year's Day
Martin Luther King, Jr.'s Birthday
Inauguration Day
Presidents' Day
Memorial Day
Independence Day

Labor Day
Columbus Day
Veterans' Day
Thanksgiving Day
Christmas Day

Any other day designated by Federal statute.
Any other day designated by Executive Order.
Any other day designated by Presidential proclamation.

G.19 INDIRECT COSTS

(a) As provided in FAR 52.216-7, "Allowable Cost and Payment," the following ceiling rates are established:

<u>Type</u>	<u>Rate</u>	<u>Base</u>
<hr/>	<hr/>	<hr/>
<hr/>	<hr/>	<hr/>
<hr/>	<hr/>	<hr/>
<hr/>	<hr/>	<hr/>

(Fill in)

These billing rates may be prospectively or retroactively revised by mutual agreement, at the request of either the Government or the Contractor, to prevent substantial overpayment or underpayment.

(b) As provided in FAR 52.216-7(d)(2)(i), the contractor must submit an adequate final indirect cost rate proposal to the Contracting Officer and auditor within 6-months following the expiration of each of the contractor's fiscal years.

[END OF SECTION G]

SECTION H – SPECIAL CONTRACT REQUIREMENTS

H.1 INCORPORATION OF SECTION K BY REFERENCE

In accordance with the Uniform Contract Format, Section K Representations, Certifications, and Other Statements of Offerors (as completed by the Contractor), are incorporated by reference in the contract.

H.2 TECHNICAL DIRECTION

(A.) The COTR for the functional area may provide written technical direction to the Contractor concerning the work performed under the contract. Technical direction is limited to direction to the Contractor that fills in details or otherwise completes the general description of the work set forth in the contract. Technical direction includes:

- (1.) Directions to the Contractor that suggest pursuit of certain lines of inquiry, shift work emphasis, fill in details or otherwise serve to accomplish the contractual statement of work.
- (2.) Guidelines to the Contractor that help interpret technical portions of work descriptions.

(B.) Technical direction must be within the general scope of work stated in the contract. Technical direction **may not** be used to:

- (1.) Assign additional work under the contract.
- (2.) Direct a change as defined in the “CHANGES” clause of the contract.
- (3.) Increase or decrease the contract price or estimated contract amount (including fee), as applicable, the direct labor hours, or time required for contract performance.
- (4.) Change any of the terms, conditions or specifications of the contract.
- (5.) Interfere with the Contractor’s rights to perform the terms and conditions of the contract.

(C.) All technical direction has to be in writing (or via e-mail) by the COTR.

(D.) If the Contractor believes any technical direction calls for effort outside the scope of the contract or is inconsistent with this requirement, the Contractor must notify the Contracting Officer in writing within five (5) working days after receipt of any such instruction. The Contractor must not proceed with the work affected by the technical direction until the Contracting Officer notifies the Contractor that the technical direction is within the scope of this contract. To notify the Contractor, the Contracting Officer will either issue an appropriate contract modification within a reasonable time or advise the Contractor in writing within 30 days that the instruction or direction is-

- (1.) Rescinded in its entirety; or
- (2.) Within the scope of the contract and does not constitute a change under the changes clause of the contract, and that the Contractor should proceed promptly with its performance.

(E.) Failure of the Contractor and Contracting Officer to agree that the instruction or direction is both within the scope of the contract and does not constitute a change under the changes clause, or a failure to

agree the contract action to be taken with respect to the instruction or direction, is subject to the Disputes clause of this contract.

(F.) Any action(s) the Contractor takes in response to any direction given by any person other than the Contracting Officer or the COTR is at the Contractor's risk.

(G.) Nothing in the foregoing paragraph will excuse the Contractor from performing that portion of the contractual work statement not affected by the disputed technical direction.

H.3 ACCESS TO ELECTRONIC AND INFORMATION TECHNOLOGY

Each Electronic and Technology (EIT) product or service furnished under this contract must comply with the Electronic and Information Technology Accessibility Standard (36 CFR 1194) which implements Section 508 of the Rehabilitation Act of 1973, codified at 29 U.S.C. § 794d. The PHMSA Chief Information Officer (CIO) or designee will approve and insure Section 508 compliance.

If the Contracting Officer determines any furnished product or service does not comply with the Electronic and Information Technology Accessibility Standard (36 CFR 1194), the Contracting Officer will notify the contractor in writing. The contractor must take prompt corrective action in accordance with the Inspection clause of this contract (Section E.2 and I.2).

H.4 REPLACEMENT OF KEY PERSONNEL

If any on-site Contractor employee cannot carry out his/her duties, due to sickness, injury or other incapacity, the Contractor must provide a suitable replacement when the employee is absent. If replacement is required for more than one (1) day, except for the employee's normal vacation time, the temporary replacement must possess adequate qualifications to perform the duties of the employee replaced. If the replacement is required for more than ten (10) working days, the Contractor must obtain the COTR's written approval of the replacement's qualifications.

H.5 PROPRIETARY RIGHT

The Government's rights in technical data are set forth in the "Rights in Data—General" clause (Section I, 52.227-14) incorporated into the contract. The Government maintains all property rights, including publication rights, in the information and materials produced by the Contractor in connection with this contract. These rights also extend to any website applications.

H.6 INSURANCE

See Section I, clause 52.228-7, "Insurance—Liability to Third Persons." The Contractor must secure, pay the premiums for and keep in force until the expiration of this contract, and any renewal thereof, adequate insurance as provided below. The insurance must specifically include liability assumed by the Contractor under this contract.

- (A.) Workman's compensation insurance as required by the law of the State.
- (B.) Comprehensive bodily injury liability insurance with limits of not less than \$500,000 for each accident.
- (C.) Property damage liability with a limit of not less than \$100,000 for each accident.

- (D.) Automotive bodily injury liability insurance with limits of not less than \$200,000 for each person and \$500,000 for each accident, and property damage liability insurance, with a limit of not less than \$40,000 for each accident.

Each policy of insurance must contain an endorsement that any cancellation or material change in the coverage adversely affecting the Government's interest will not be effective unless the insurer or the contractor gives PHMSA written notice of cancellation or change. When the coverage is provided by self-insurance, the Contractor must not change or decrease the coverage without the Contracting Officer's prior approval.

A certificate of each policy of insurance must be furnished to the Contracting Officer within **ten (10) days** after notice of award certifying, among other things, that the policy contains the aforementioned endorsement. The insurance company providing the above insurance must be satisfactory to the Government. Notices of policy changes must be furnished to the Contracting Officer. The substance of this clause must flow down to any subcontractors.

H.7 SAFETY AND ACCIDENT PREVENTION

In performing any work under this contract on premises under the direct control of the Government, the Contractor must (a) conform to all safety rules and requirements in effect on the date of the contract; and (b) take such additional precautions as the Contracting Officer may reasonably require for safety and accident prevention purposes. The Contractor agrees to take all reasonable steps and precautions to prevent accidents and preserve the life and health of the Contractor and Government personnel performing or in any way coming in contact with the performance of the contract on such premises. Any violation of such rules and requirements, unless promptly corrected as directed by the Contracting Officer, is grounds for termination of this contract.

H.8 DOT Information Security Requirements (APR 2003)

- (A). Access to Sensitive Information.
- (1.) Work under this contract may involve access to sensitive information, as described in paragraph d below. The contractor must not disclose any of this information, unless the Contracting Officer authorizes disclosure. To protect sensitive information, the contractor must provide training to all contractor employees with authorized access to sensitive information and, when requested by the Government, provide information as to an individual's suitability to have such authorization. The Contracting Officer may request a contractor employee be removed from performing work under the contract if the Contracting Officer finds the employee's conduct or work is not suitable, or deems the employment contrary to the public interest or inconsistent.
- (2.) The contractor must ensure that any contractor employee assigned to this contract is: (1) a citizen of the United States of America or an alien who has been lawfully admitted for permanent residence or employment (indicated by immigration status) as evidenced by Immigration and Naturalization Service documentation; and (2) has had a background investigation in accordance with DOT Order 1630.2B, Personnel Security Management.
- (3.) The contractor must include the above requirements in any subcontract awarded involving access to Government facilities, sensitive information, and/or resources.

(4.) Sensitive Information is proprietary data or other information that, if subject to unauthorized access, modification, loss or misuse could adversely affect national interest, conduct of Federal programs, or privacy of individuals specified in the Privacy Act, but has not been specifically authorized to be kept secret in the interest of national defense or foreign policy under an Executive Order or Act of Congress.

(5.) Information Technology (IT) Services.

(a.) The contractor is responsible for IT security for all systems operated by or connected to a DOT network, regardless of location. This includes any IT resources or services in which the contractor has physical or electronic access to DOT's sensitive information that directly supports the mission of DOT (e.g., hosting DOT e-Government sites or other IT operations). If necessary, the Government must have access to contractor and any subcontractor facilities, systems/networks operated on behalf of DOT, documentation, databases and personnel to carry out a program of IT inspection (to include vulnerability scanning), investigation and audit to safeguard against threats and hazards to DOT data or IT systems. The Contracting Officer's Technical Representative (COTR) will define access and security procedures for PHMSA's computer resources. The contractor must implement these procedures as part of its facilities and systems management responsibilities.

(b.) Within 30 days of contract award, the contractor must provide to the Government for approval, an IT Security Plan that describes the processes and procedures the contractor will follow in performance of this contract to ensure the appropriate security of IT resources developed, processed, or used under this contract. This Plan must be written and implemented in accordance with applicable Federal laws including:

- The Computer Security Act of 1987 (40 U.S.C. 1441 et seq.);
- the Clinger-Cohen Act of 1996; and
- the Government Information Security Reform Act (GISRA) of 2000.

The Plan must meet Government IT security requirements including:

- OMB Circular A-130;
- Management of Federal Information Resources, Appendix 111;
- Security of Federal Automated Information Resources;
- National Institute of Standards and Technology (NIST) Guidelines;
- Departmental Information Resource Management Manual (DIRMM) and associated guidelines; and
- DOT Order 1630.2B, Personnel Security Management.

(c.) The contractor must screen those personnel who will have privileged access or limited privileged access to systems operated by the contractor for DOT or interconnected to a DOT network in accordance with DOT Order 1630.2B, Personnel Security Management. The Contractor must ensure its employees are trained annually in accordance with OMB Circular A-130, GISRA, and NIST requirements with a specific emphasis on rules of behavior.

(d.) The contractor must immediately notify the contracting officer when an employee who has had access to DOT information systems or data, terminates employment.

(e.) The contractor must include the above requirements in any subcontract awarded for IT services.

(f.) IT means any equipment or interconnected system or subsystem of equipment used in the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information and as further defined in OMB Circular A-130 and the Federal Acquisition Regulation Part 2.

H.9 TRANSPORTATION ACQUISITION MANUAL (TAM) 1239.105-70 PRIVACY AND INFORMATION TECHNOLOGY SYSTEMS (MAR 2006)

This acquisition requires a Privacy Impact Assessment (PIA) to be conducted by the Government. To ensure the PIA is current and accurate, the contractor must provide either a written confirmation to that effect or a report listing the requirements needed to make the PIA current and accurate. The Contractor must provide this confirmation or report (as applicable) to the PHMSA Chief Information Officer (CIO) who serves as the requiring official and PHMSA Privacy Act coordinator 30 days before the system is deployed.

H.10 CONFLICT OF INTEREST

Each offeror must be clear of business or financial arrangements with the pipeline industry that conflict with the work required under this contract by the date of contract award (anticipated January 2007). A working or financial arrangement includes a subcontract or consulting arrangement. Arrangements include those held by the contractor organization or contractor key personnel. Award is contingent on the offeror having no active business or financial interest with the oil and gas pipeline industry, specifically with those entities that PHMSA regulates under the Federal Pipeline Safety Law at 49 U.S.C. 60101 et seq., and implementing regulations in 49 C.F.R. Parts 191-199, which would conflict with the work to be performed under this contract. After award, the contractor must, for the duration of the contract, not enter into any arrangement that would conflict with the work requirements.

[END OF SECTION H]

PART II

SECTION I - CONTRACT CLAUSES

I.1 FAR 52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also the full text of a clause may be accessed electronically at this/these website addresses:

<http://www.dot.gov/ost/m60/tamtar/tar.htm>

<http://farsite.hill.af.mil/vffar.htm>

<http://www.arnet.gov/far>

(End of Clause)

I.2 FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1) CLAUSES

52.202-1	Definitions.	(JULY 2004)
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52.249-13	Failure to Perform.	(APR 1984)
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I.3 52.204-1 APPROVAL OF CONTRACT (DEC 1989)

This contract is subject to the written approval of the Contracting Officer, Office of Contracts and Procurement, Pipeline and Hazardous Materials Safety Administration (PHMSA) and shall not be binding until so approved.

(End of clause)

I.4. 52.204-9 PERSONNEL IDENTITY VERIFICATION OF CONTRACTOR PERSONNEL (JAN 2006)

(a) The Contactor shall comply with personal identity verification procedures identified in the contract that implement Homeland Security Presidential Directive-12 (HSPD-12), Office of Management and Budget (OMB) guidance M-05-24, and Federal Information Processing Standards Publication (FIPS PUB) Number 201.

(b) The Contractor shall insert this clause in all subcontractors when the subcontractor is required to have physical access to a federally-controlled facility or access to a Federal information system.

I.5. 52.215-19 NOTIFICATION OF OWNERSHIP CHANGES (OCT 1997)

(a) The Contractor shall make the following notifications in writing:

(1) When the Contractor becomes aware that a change in its ownership has occurred, or is certain to occur, that could result in changes in the valuation of its capitalized assets in the accounting records, the Contractor shall notify the Administrative Contracting Officer (ACO) within 30 days.

(2) The Contractor shall also notify the ACO within 30 days whenever changes to asset valuations or any other cost changes have occurred or are certain to occur as a result of a change in ownership.

(b) The Contractor shall --

(1) Maintain current, accurate, and complete inventory records of assets and their costs;

(2) Provide the ACO or designated representative ready access to the records upon request;

(3) Ensure that all individual and grouped assets, their capitalized values, accumulated depreciation or amortization, and remaining useful lives are identified accurately before and after each of the Contractor's ownership changes; and

(4) Retain and continue to maintain depreciation and amortization schedules based on the asset records maintained before each Contractor ownership change.

(c) The Contractor shall include the substance of this clause in all subcontracts under this contract that meet the applicability requirement of FAR 15.408(k).

(End of Clause)

I.6 52.216-24 LIMITATION OF GOVERNMENT LIABILITY (APR 1984)

(a) In performing this contract, the Contractor is not authorized to make expenditures or incur obligations exceeding [To Be Determined at Time of Contract Award] dollars.

(b) The maximum amount for which the Government shall be liable if this contract is terminated is [To Be Determined at Time of Contract Award] dollars.

(End of clause)

I.7 [RESERVED]

I.8 52.217-8 OPTION TO EXTEND SERVICES (NOV 1999)

The Government may require continued performance of any services within the limits and at the rates specified in the contract. These rates may be adjusted only as a result of revisions to prevailing labor rates provided by the Secretary of Labor. The option provision may be exercised more than once, but the total extension of performance hereunder shall not exceed 6 months. The Contracting Officer may exercise the option by written notice to the Contractor within the period specified in the Schedule.

(End of clause)

I.9 52.217-9 OPTION TO EXTEND THE TERM OF THE CONTRACT (MAR 2000)

(a) The Government may extend the term of this contract by written notice to the Contractor within 60 days; provided that the Government gives the Contractor a preliminary written notice of its intent to extend at least 60 days before the contract expires. The preliminary notice does not commit the Government to an extension.

(b) If the Government exercises this option, the extended contract shall be considered to include this option clause.

(c) The total duration of this contract, including the exercise of any options under this clause, shall not exceed ten (10) years.

(End of clause)*

*The contract's performance may be extended to ten (10) years if all five (5) award term years are granted. The ten (10)-year total duration of the contract refers to: one (1) base year, four (4) possible option years, and five (5) possible award term years.

I.10 52.244-6 SUBCONTRACTS FOR COMMERCIAL ITEMS AND COMMERCIAL COMPONENTS (OCT 1998)

(a) Definitions

“Commercial Items,” as used in this clause, has the meaning contained in the clause at 52.202-1, Definitions.

“Subcontractor,” as used in this clause, includes a transfer of commercial items between divisions, subsidiaries, or affiliates of the Contractor or subcontractor at any tier.

(b) To the maximum extent practicable, the Contractor shall incorporate, and require its subcontractors at all tiers to incorporate, commercial items or non-developmental items as components of items to be supplied under this contract.

(c) Notwithstanding any other clause of this contract, the Contractor is not required to include any FAR provision or clause, other than those listed below to the extent they are applicable and as may be required to establish the reasonableness of prices under Part 15, in a subcontract at any tier for commercial items or commercial components:

(1) 52.222-26, Equal Opportunity (E.O. 11246);

(2) 52.222-35, Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era (38 U.S.C. 4212(a));

(3) 52.222-36, Affirmative Action for Workers with Disabilities (29 U.S.C. 793); and

(4) 52.247-64, Preference for Privately Owned U.S.-Flagged Commercial Vessels (46 U.S.C. 1241) (flow down not required for subcontractors awarded beginning May 1, 1996).

(d) The Contractor shall include the terms of this clause, including this paragraph (d), in subcontracts awarded under this contract.

I.11 52.222-2 PAYMENT FOR OVERTIME PREMIUMS (JUL 1990)

(a) The use of overtime is authorized under this contract if the overtime premium cost does not exceed (\$0) or the overtime premium is paid for work -

- (1) Necessary to cope with emergencies such as those resulting from accidents, natural disasters, breakdowns of production equipment, or occasional production bottlenecks of a sporadic nature;
- (2) By indirect-labor employees such as those performing duties in connection with administration, protection, transportation, maintenance, standby plant protection, operation of utilities, or accounting;
- (3) To perform tests, industrial processes, laboratory procedures, loading or unloading of transportation conveyances, and operations in flight or afloat that are continuous in nature and cannot reasonably be interrupted or completed otherwise; or
- (4) That will result in lower overall costs to the Government.

(b) Any request for estimated overtime premiums that exceeds the amount specified above shall include all estimated overtime for contract completion and shall -

- (1) Identify the work unit; e.g., department or section in which the requested overtime will be used, together with present workload, staffing, and other data of the affected unit sufficient to permit the Contracting Officer to evaluate the necessity for the overtime;
- (2) Demonstrate the effect that denial of the request will have on the contract delivery or performance schedule;
- (3) Identify the extent to which approval of overtime would affect the performance or payments in connection with other Government contracts, together with identification of each affected contract; and
- (4) Provide reasons why the required work cannot be performed by using multi shift operations or by employing additional personnel.

(End of Clause)

I.12 52.252-4 ALTERATIONS IN CONTRACT (APR 1984)

Portions of this contract are altered as follows:

(End of Clause)

I.13 52.252-6 AUTHORIZED DEVIATIONS IN CLAUSES (APR 1984)

- (a) The use in this solicitation or contract of any Federal Acquisition Regulation (48CFR Chapter 1) clause with an authorized deviation is indicated by the addition of "(DEVIATION)" after the date of the clause.
- (b) The use in this solicitation or contract of any Department of Transportation Acquisition Regulation (48 CFR Chapter 12) clause with an authorized deviation is indicated by the addition of "(DEVIATION)" after the name of the regulation.

(End of Clause)

**I.14 DEPARTMENT OF TRANSPORTATION ACQUISITION REGULATIONS
(48 CFR CHAPTER 12) CLAUSES**

1252.215-70 KEY PERSONNEL AND FACILITIES (OCT 1994)

- (a) The personnel and/or facilities as specified below are considered essential to the work being performed hereunder and may, with the consent of the contracting parties, be changed from time to time during the course of the contract by adding or deleting personnel and /or facilities, as appropriate.
- (b) Prior to removing, replacing, or diverting any of the specified individuals or facilities, the Contractor shall notify, in writing, and receive consent from, the Contracting Officer reasonably in advance of the action and shall submit justification (including proposed substitutions) in sufficient detail to permit evaluation of the impact on this contract.

(c) No diversion shall be made by the Contractor without the written consent of the Contracting Officer. The Contracting Officer may ratify in writing the change and such ratification shall constitute the consent of the Contracting Officer required by this clause.

(Offeror to specify key personnel: Name/Title)

Name:

Title:

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

(Fill In)

(End of Clause)

1252.216-71 DETERMINATION OF AWARD FEE (OCT 1994)

(a) The Government shall, at the conclusion of each specified evaluation period(s), evaluate the contractor's performance for a determination of award fee earned. The contractor agrees that the determination as to the amount of the award fee earned will be made by the Government Fee Determination Official (FDO) and such determination is binding on both parties and shall not be subject to appeal under the "Disputes" clause or to any board or court.

(b) It is agreed that the evaluation of contractor performance shall be in accordance with a Performance Evaluation Plan and that the contractor shall be promptly advised in writing of the determination and reasons why the award fee was or was not earned. It is further agreed that the contractor may submit a self-evaluation of performance of each period under consideration. While it is recognized that the basis for the determination of the fee shall be the evaluation by the Government, any self-evaluation, which is received within 15 calendar days after the end of the period being evaluated, may be given such consideration, if any, as the FDO shall find appropriate.

(c) The FDO may specify in any fee determination that fee not earned during the period evaluated may be accumulated and be available for allocation to one or more subsequent periods. In that event, the distribution of award fee shall be adjusted to reflect such allocations.

(End of clause)

1252.216-72 PERFORMANCE EVALUATION PLAN (OCT 1994)

(a) A Performance Evaluation Plan shall be unilaterally established by the Government based on the criteria stated in the contract and used for the determination of award fee. This plan shall include the criteria used to evaluate each area and the percentage of award fee (if any) available for each area. A copy of the plan shall be provided to the contractor 60 calendar days prior to the start of the first evaluation period.

(b) The criteria contained within the Performance Evaluation Plan may relate to: (1) Technical (including schedule) requirements if appropriate; (2) Management; and (3) Cost.

(c) The Performance Evaluation Plan may, consistent with the contract, be revised unilaterally by the Government at any time during the period of performance. Notification of such changes shall be provided to the contractor 30 calendar days prior to the start of the evaluation period to which the change will apply.

(End of clause)

1252.216-73 DISTRIBUTION OF AWARD FEE (OCT 1994)

(a) The total amount of award fee available under this contract is assigned according to the following evaluation periods and amounts:

Evaluation Period: 180 Days
Available Award Fee: (To be Determined)

(b) Payment of the base fee and award fee shall be made, provided that after payment of 85 percent of the base fee and potential award fee, the Government may withhold further payment of the base fee and award fee until a reserve is set aside in an amount that the Government considers necessary to protect its interest. This reserve shall not exceed 15 percent of the total base fee and potential award fee or \$100,000, whichever is less.

(c) In the event of contract termination, either in whole or in part, the amount of award fee available shall represent a prorata distribution associated with evaluation period activities or events as determined by the Government.

(d) The Government will promptly make payment of any award fee upon the submission by the contractor to the contracting officer's authorized representative, of a public voucher or invoice in the amount of the total fee earned for the period evaluated. Payment may be made without using a contract modification.

(End of clause)

1252.223-71 ACCIDENT AND FIRE REPORTING (OCT 1994)

(a) The Contractor shall report to the Contracting Officer any accident or fire occurring at the site of the work, which causes:

- (1) A fatality or as much as one lost workday on the part of any employee of the Contractor or subcontractor at any tier;
- (2) Damage of \$1,000 or more to Federal property, either real or personal;
- (3) Damage of \$1,000 or more to Contractor or subcontractor owned or leased motor vehicles or mobile equipment; or
- (4) Damage for which a contract time extension may be requested.

(b) Accident and fire reports required by paragraph (a) above shall be accomplished by the following means:

- (1) Accidents or fires resulting in a death, hospitalization of five or more persons, or destruction of Federal property (either real or personal), the total value of which is estimated at \$100,000 or more, shall be reported immediately by telephone to the Contracting Officer or his/her authorized representative and shall be confirmed by telegram or facsimile transmission within 24 hours to the Contracting Officer. Such telegram or facsimile transmission shall state all known facts as to extent of injury and damage and as to cause of the accident or fire.

(2) Other accident and fire reports required by paragraph (a) above may be reported by the Contractor using a state, private insurance carrier, or Contractor accident report form which provides for the statement of:

- (i) The extent of injury; and
- (ii) The damage and cause of the accident or fire.

Such report shall be mailed or otherwise delivered to the Contracting Officer within 48 hours of the occurrence of the accident or fire.

(c) The Contractor shall assure compliance by subcontractors at all tiers with the requirements of this clause.

(End of Clause)

**1252.237-70 QUALIFICATIONS OF CONTRACTOR EMPLOYEES (DEVIATION)
(MAY 2005)-Alternate I (October 2005)**

(a) Definitions. As used in this clause- "Sensitive Information" is any information that, if subject to unauthorized access, modification, loss, or misuse, or is proprietary data, could adversely affect the national interest, the conduct of Federal programs, or the privacy of individuals specified in The Privacy Act, 5 U.S.C. 552a, but has not been specifically authorized under criteria established by an Executive Order or an Act of Congress to be kept secret in the interest of national defense or foreign policy.

(b) Work under this contract may involve access to DOT facilities, sensitive information, or resources (e.g., computer systems). To protect sensitive information, which shall not be disclosed by the contractor unless authorized in writing by the contracting officer, the contractor shall provide training to any contractor employees authorized to access sensitive information, and upon request of the Government, provide information to assist the Government in determining an individual's suitability to have authorization.

(c) The Contracting Officer may require dismissal from work under this contract those employees deemed incompetent, careless, insubordinate, unsuitable, or otherwise objectionable, or whose continued employment is deemed contrary to the public interest or inconsistent with the best interest of national security.

(d) Contractor employees working on this contract must complete such forms as may be necessary for security or other reasons, including the conduct of background investigations to determine suitability. Completed forms shall be submitted as directed by the Contracting Officer. Upon the Contracting Officer's Technical Representative (COTR) or Project/Program manager (PM) request, the Contractor's employees shall be fingerprinted, or subject to other investigations as required.

(e) The Contractor shall ensure that contractor employees are citizens of the United States of America or aliens who have been lawfully admitted for permanent residence or employment (indicated by immigration status) as evidenced by Bureau of Citizenship and Immigration Services documentation; and

(f) The Contractor shall immediately notify the COTR or PM when an employee's status changes (e.g., employee's transfer, completion of a project, retirement or termination of employment) that may affect the employee's eligibility for access to the facility, sensitive information, or resources.

(g) To ensure the requirements of FIPS 201, Personal Identity Verification (PIV) of Federal Employees and Contractors, are met, the Contractor shall:

- (1) Provide a listing of personnel for whom an identification (ID) card is requested to the COTR or PM who will provide a copy of the listing to the card issuing office. This may include Contractor and subcontractor personnel. Follow issuing office directions for submittal of an application package(s).
- (2) While visiting or performing work on a DOT facility, as specified by the issuing office, PM or COTR, ensure that contractor employees prominently display their identification card.
- (3) Promptly deliver to the issuing office: (1) all ID cards assigned to an employee who no longer requires access to the facility; and (2) all expired ID cards within five (5) days of their expiration or all cards at time of contract termination, whichever occurs first.
- (4) Immediately report any lost or stolen ID cards to the issuing office and follow their instructions.

(h) The Contractor shall include the substance of this clause in all subcontracts at any tier where the subcontractor may have access to Government facilities, sensitive information, or resources.

(i) Failure to comply with these requirements may result in withholding of final payment.

(End of clause)

**1252.239-70 SECURITY REQUIREMENTS FOR UNCLASSIFIED INFORMATION
TECHNOLOGY RESOURCES (APR 2005)**

(a) The Contractor shall be responsible for Information Technology security for all systems connected to a Department of Transportation (DOT) network or operated by the Contractor for DOT, regardless of location. This clause is applicable to all or any part of the contract that includes information technology resources or services in which the Contractor has physical or electronic access to DOT's sensitive information that directly supports the mission of DOT. The term "information technology", as used in this clause, means any equipment or interconnected system or subsystem of equipment, including telecommunications equipment, that is used in the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information. This includes both major applications and general support systems as defined by OMB Circular A-130. Examples of tasks that require security provisions include:

- (1) Hosting of DOT e-Government sites or other IT operations;
- (2) Acquisition, transmission or analysis of data owned by DOT with significant replacement cost should the contractor's copy be corrupted; and
- (3) Access to DOT general support systems/major applications at a level beyond that granted the general public, e.g. bypassing a firewall.

(b) The Contractor shall develop, provide, implement, and maintain an IT Security Plan. This plan shall describe the processes and procedures that will be followed to ensure appropriate security of IT resources that are developed, processed, or used under this contract. The plan shall describe those parts of the contract to which this clause applies. The Contractor's IT Security Plan shall comply with applicable Federal Laws that include, but are not limited to, 40 U.S.C. 11331, the Federal Information Security Management Act (FISMA) of 2002 and the E-Government Act of 2002. The plan shall meet IT security requirements in accordance with Federal and DOT policies and procedures, as they may be amended from time to time during the term of this contract that include, but are not limited to:

- (1) OMB Circular A-130, Management of Federal Information Resources, Appendix III, Security of Federal Automated Information Resources;
- (2) National Institute of Standards and Technology (NIST) Guidelines;
- (3) Departmental Information Resource Management Manual (DIRMM) and associated guidelines; and
- (4) DOT Order 1630.2B, Personnel Security Management.

(c) Within 30 days after contract award, the contractor shall submit the IT Security Plan to the DOT Contracting Officer for acceptance. This plan shall be consistent with and further detail the approach contained in the offeror's proposal or sealed bid that resulted in the award of this contract and in compliance with the requirements stated in this clause. The plan, as accepted by the Contracting Officer, shall be incorporated into the contract as a compliance document. The Contractor shall comply with the accepted plan.

(d) Within 6 months after contract award, the contractor shall submit written proof of IT Security accreditation to the DOT for acceptance by the DOT Contracting Officer. Such written proof may be furnished either by the Contractor or by a third party. Accreditation must be in accordance with DOT Order 1350.2, which is available from the Contracting Officer upon request. This accreditation will include a final security plan, risk assessment, security test and evaluation, and disaster recovery plan/continuity of operations plan. This accreditation, when accepted by the Contracting Officer, shall be incorporated into the contract as a compliance document, and shall include a final security plan, a risk assessment, security test and evaluation, and disaster recovery/continuity of operations plan. The contractor shall comply with the accepted accreditation documentation.

(e) On an annual basis, the contractor shall submit verification to the Contracting Officer that the IT Security Plan remains valid.

(f) The contractor will ensure that the following banners are displayed on all DOT systems (both public and private) operated by the contractor prior to allowing anyone access to the system:

Government Warning

****WARNING**WARNING**WARNING****

Unauthorized access is a violation of U.S. Law and Department of Transportation policy, and may result in criminal or administrative penalties. Users shall not access other user's or system files without proper authority. Absence of access controls IS NOT authorization for access! DOT information systems and related equipment are intended for communication, transmission, processing and storage of U.S. Government information. These systems and equipment are subject to monitoring by law enforcement and authorized Department officials. Monitoring may result in the acquisition, recording, and analysis of all data being communicated, transmitted, processed or stored in this system by law enforcement and authorized Department officials. Use of this system constitutes consent to such monitoring.

****WARNING**WARNING**WARNING****

(g) The contractor will ensure that the following banner is displayed on all DOT systems that contain Privacy Act information operated by the contractor prior to allowing anyone access to the system:

This system contains information protected under the provisions of the Privacy Act of 1974 (Public Law 93-579). Any privacy information displayed on the screen or printed shall be protected from unauthorized disclosure. Employees who violate privacy safeguards may be subject to disciplinary actions, a fine of up to \$5,000, or both.

(h) Contractor personnel requiring privileged access or limited privileged access to systems operated by the Contractor for DOT or interconnected to a DOT network shall be screened at an appropriate level in accordance with DOT Order 1630.2B, Personnel Security Management, as it may be amended from time to time during the term of this contract.

(i) The Contractor shall ensure that its employees, in performance of the contract performing under this contract, receive annual IT security training in accordance with OMB Circular A-130, FISMA, and NIST requirements, as they may be amended from time to time during the term of this contract, with a specific emphasis on rules of behavior.

(j) The Contractor shall afford the Government access to the Contractor's and subcontractors' facilities, installations, operations, documentation, databases and personnel used in performance of the contract. Access shall be provided to the extent required to carry out a program of IT inspection (to include vulnerability testing), investigation and audit to safeguard against threats and hazards to the integrity, availability and confidentiality of DOT data or to the function of information technology systems operated on behalf of DOT, and to preserve evidence of computer crime.

(k) The Contractor shall incorporate the substance of this clause in all subcontracts that meet the conditions in paragraph (a) of this clause.

(l) The contractor shall immediately notify the contracting officer when an employee terminates employment that has access to DOT information systems or data.

(End of clause)

**1252.239-71 INFORMATION TECHNOLOGY SECURITY PLAN AND ACCREDITATION
(APR 2005)**

All offers submitted in response to this solicitation must address the approach for completing the security plan and accreditation requirements in TAR clause 1251.239.70.

(End of Provision)

1252.242-72 DISSEMINATION OF CONTRACT INFORMATION (OCT 1994)

The Contractor shall not publish, permit to be published, or distribute for public consumption, any information, oral or written, concerning the results or conclusions made pursuant to the performance of this contract, without the prior written consent of the Contracting Officer. Two copies of any material proposed to be published or distributed shall be submitted to the Contracting Officer.

(End of Clause)

1252.242-73 CONTRACTING OFFICER'S TECHNICAL REPRESENTATIVE (OCT 1994)

(a) The Contracting Officer may designate Government personnel to act as the Contracting Officer's Technical Representative (COTR) to perform functions under the contract such as review and/or inspection and acceptance of supplies, services, including construction, and other functions of a technical nature. The Contracting Officer will provide a written notice of such designation to the Contractor within five working days after contract award or for construction, not less than five working days prior to giving the contractor the notice to proceed. The designation letter will set forth the authorities and limitations of the COTR under the contract.

(b) The Contracting Officer cannot authorize the COTR or any other representative to sign documents (i.e., contracts, contract modifications, etc.) that require the signature of the Contracting Officer.

(End of Clause)

1252.245-70 GOVERNMENT PROPERTY REPORTS (OCT 1994)

(a) The Contractor shall prepare an annual report of Government property in its possession and the possession of its subcontractors.

(b) The report shall be submitted to the Contracting Officer not later than September 15 of each calendar year on form DOT F 4220.43, Contractor Report of Government Property.

(End of Clause)

[END OF SECTION I]

PART III

SECTION J – LIST OF ATTACHMENTS

Attachment J-1	Voucher Format Requirements
Attachment J-2	Award Fee/Term Plan
Attachment J-3	Past Performance Questionnaire

VOUCHER FORMAT REQUIREMENTS

Billing Instructions for Labor-Hour/Cost –Reimbursable Contracts

1. INTRODUCTION

These instructions are provided to help Contractors prepare and submit vouchers requesting reimbursement for work performed under the contract.

2. FORMS TO BE USED

A contractor may use the regular Government voucher forms, Public Voucher for Purchases and Services Other than Personal, SF 1304, and the corresponding Continuation Sheet, SF-I035. Or, a contractor may use its own form, if it includes (at a minimum) the information required under Format below, and has been pre-approved by the Contracting Officer.

3. FORMAT

Each voucher must be numbered, dated, signed and prepared in an original and two copies (see voucher distribution in Section G of the contract). Each voucher must include two parts (see below).

Part I Summary of All Costs (not previously billed)

- a) Total amount claimed and billing period
- b) Certification by authorized official of the firm, as follows:

I certify that all payments requested have been incurred, are allocable to this contract, and have not been billed previously.

Signature: Title of Authorized Individual

Date

Part II Supporting Details of Claimed Amount

- a) Complete listing of labor categories authorized in the contract.
- b) For each labor category the labor rate, amount and hours being claimed for the current billing period. (Must not differ from the labor rates stated in the contract).
- c) For each labor category the cumulative total billed to date even if no charges were accrued during the billing period.
- d) The number of hours of effort expended, directly, by each named individual/ labor category. Include what function area these man hours were in.
- e) A detailed breakdown of the materials being charged to the contract for the instant billing period, plus a cumulative dollar total for each material category charged.
- f) Copies of time sheets per each personnel.
- g) A cover summary sheet showing current, year to date, and remaining cost.
- h) A statement signed by a responsible official of the concern.

4. TASK ORDER CONTRACTS

For task order contracts, include Part II of the Format for each individual task (Part I may summarize all tasks, unless otherwise requested by the Contracting Officer). Each page must include the appropriate task order number and billing information as described above.

AWARD FEE/TERM PLAN

1. INTRODUCTION

The use of a Labor-Hour/Cost-Reimbursable Plus-Award-Fee contract is intended to encourage and reward the contractor for excellence of performance, customer service, timeliness of performance, and effective communication with PHMSA on an every-day level.

The use of Award Term incentives is intended to encourage contractors to perform at a high level of service for extended periods of time. The award terms reward contractors for their performance by extending the contract's period of performance. For the base and each option year, the contractor has the opportunity to add another year onto the length of the contract.

The Performance Evaluation Board (PEB) will evaluate the contractor's performance at 6-month intervals. The PEB will recommend an award fee (if any) for each 6-month period, and at the conclusion of each year (Base and option years only) will recommend an award term (if any) based on the performance of the past year.

Performance indicators and standards were developed for technical and cost management criteria, and each is given a weight, and possible points the contractor can earn. The contractor's performance is evaluated against these criteria, and the award fee and term earned by the contractor is determined in accordance with the PEB's score.

To earn an award term, the contractor must receive a minimum score (see section 7 of this award fee/term plan) in each 6-month award evaluation period, throughout the term of the contract.

2. ORGANIZATIONAL STRUCTURE FOR AWARD FEE ADMINISTRATION

The following organizational structure is established for administering the award fee/term provisions of this contract. Note that this structure is subject to change at the Government's discretion.

1. Performance Evaluation Board (PEB)

The Performance Evaluation Board (PEB) will consist of the COTR and the Contract Administrator. The COTR will monitor the Technical section of this Award Fee/Term Plan, and the Contract Administrator will monitor the Cost Management section. As the Technical Monitor, the COTR will evaluate and assess the contractor's performance openly and objectively. The Contract Administrator will evaluate and assess the contractor's compliance with contract clauses and delivery schedules and the timeliness and accuracy of invoice/voucher submissions.

2. Fee Determination Official (FDO)

The Fee Determination Official (FDO) is Mr. Warren Osterberg, Contracting Officer. The PEB will submit its report and assessment to the FDO, and the FDO will determine the award fee earned and payable for each evaluation period.

3. METHOD FOR DETERMINING AWARD FEE

The FDO will promptly determine the award fee earned for each evaluation period. The method to be followed in monitoring, evaluating, and assessing the award fee earned, is described below.

1. The contractor's performance is evaluated at the end of each 6-month period of the contract term. Twenty days prior to the end of each 6-month period, the contractor may submit a self appraisal for that period. The contractor's self evaluation must address both positive and negative aspects of the contractor's performance.
2. The PEB will evaluate contractor performance utilizing the criteria described below. Within 15 working days after the evaluation period ends, the PEB will report its recommendation to the Fee Determination Official concerning the proposed award fee amount.
3. The Award Fee Evaluation criteria are weighted 70% for technical and 30% for cost. The technical criterion has five (5) evaluation factors, and the cost criterion has three (3) evaluation factors. The total technical score and the total cost score are added to determine the Total Score.
4. Within 10 working days of the PEB recommendation, the FDO will execute a unilateral contract modification setting forth the award fee to be paid. The award fee is not subject to the terms of the contract clause entitled "Disputes".
5. The contractor must submit an invoice, separate and distinct from the monthly invoice, once the award fee has been determined to receive payment.

4. METHOD FOR DETERMINING AWARD TERM

The PEB will recommend the evaluation rating for each 6-month evaluation period, and the FDO will determine the award term earned. The method for monitoring, evaluating, and assessing contractor performance during the period is described below.

1. The COTR and the Contract Administrator will evaluate and assess contractor performance during regularly scheduled monthly meetings. All significant aspects of contract performance must be discussed including the performance metrics, strong and weak points, significant issues, problems and concerns, and any other matters pertinent to evaluating performance of the contractor.
2. In conjunction with evaluating the award fee, the PEB will meet every six (6) months to complete the Award Fee / Term Performance Summary Report. This report will contain the award fee score, and that score that will be used for determining the award term. To earn an award term, the contractor must receive a numerical score not lower than 85 (except for the first evaluation period which is 80) for each 6-month evaluation period.
3. The PEB will provide the FDO its recommendation for an award term. The FDO will consider the PEB's recommendation and determine the award fee and term earned for the period.

5. PERFORMANCE STANDARDS AND INDICATORS

A. Technical Performance and Schedule Management

Number	Performance Standard	Possible Points
1	Allocation of human resources (quality and quantity) in response to contract's requirements.	1 – 15
2	Quality of planning and execution of task order objectives.	1 – 10
3	Timeliness and Quality of deliverables.	1 – 20
4	Ability and timeliness to identify potential problems and resolving actual problems.	1 – 15
5	Maintenance of effective working relationships between contractor and agency personnel – both technical personnel and non-technical (customers).	1 – 10
MAXIMUM POSSIBLE TECHNICAL SCORE		70

B. Contract and Cost Management

Number	Performance Standard	Possible Points
1	Effectiveness of cost and business management.	1 – 15
2	Timeliness and quality of invoices, monthly status reports, processing of modifications, and compliance to contract clauses.	1 – 10
3	Maintenance of effective working relationships between contractor and agency contracting personnel.	1 – 5
MAXIMUM POSSIBLE COST MANAGEMENT SCORE		30

6. NUMERICAL RANGES AND ADJECTIVE DEFINITIONS

The following will be used in the award fee evaluation:

Grade	Score	Definition	Percent of fee
Superior	100	Superior level of performance; achievement of distinguished results and effectiveness. No deficiencies exist.	100%
Superior	99		100%
Superior	98		100%
Superior	97		98%
Superior	96		98%
Excellent	95	Exceptional merit; exemplary performance in a timely, efficient, and economical manner. Very minor deficiencies, which had no effect on overall performance.	97%
Excellent	94		96%
Excellent	93		94%
Excellent	92		92%
Excellent	91		90%
Excellent	90		88%
Excellent	89		86%
Excellent	88		84%
Excellent	87		82%
Excellent	86		80%
Excellent	85		78%
Good	84	Effective performance. Responsive to contract requirements with good results. Reportable deficiencies with identifiable, but not substantial, effects on overall performance.	75%
Good	83		72%
Good	82		69%
Good	81		66%
Good	80		63%
Good	79		60%
Good	78		57%
Good	77		54%
Good	76		50%
Fair/Poor/ Unsatisfactory	<= 75	Poor performance. Below minimum acceptable standards with inadequate results that requires immediate remedial action. Significant deficiencies that affect overall performance exist.	0%

7. EVALUATION AND AVAILABLE AWARD TERM PERIODS

The following table illustrates the contract year, evaluation periods, minimum scores needed to earn the award term, available award term, and the option for an additional contract year that will be added if the award term is earned. If the minimum score is not achieved for either of the evaluation periods in a contract year, the award term cannot be earned. For example, if the contractor receives a score of 75 for evaluation period #3, the contractor cannot earn the award term (additional contract year 7) for Option Year #1.

Evaluation Period	Contract Year	Performance Required for Award term	Available Award Term	Additional Contract Year
1	Base	Minimum Score of 80	N/A	
2		Minimum Score of 85	1 Year	Year 6
3	Option Year #1	Minimum Score of 85	N/A	
4		Minimum Score of 85	1 Year	Year 7
5	Option Year #2	Minimum Score of 85	N/A	
6		Minimum Score of 85	1 Year	Year 8
7	Option Year #3	Minimum Score of 85	N/A	
8		Minimum Score of 85	1 Year	Year 9
9	Option Year #4	Minimum Score of 85	N/A	
10		Minimum Score of 85	1 Year	Year 10

AWARD FEE PERFORMANCE SUMMARY REPORT

Award Fee Evaluation Period:	_____	_____
	Contract Year	Evaluation Period
<u>Performance Evaluation Criteria</u>	<u>Point Range</u>	<u>Points Earned</u>
<u>Technical Performance and Schedule Management</u>		
1. Allocation of human resources (quality and quantity) in response to contract's requirements.	1 – 15	_____
2. Quality of planning for purposes of meeting work order objectives.	1 – 10	_____
3. Timeliness and Quality of deliverables.	1 – 20	_____
4. Ability and timeliness to identify potential problems and resolving actual problems.	1 – 15	_____
5. Maintenance of effective working relationships between contractor and agency personnel – both technical personnel and non-technical (customers).	1 – 10	_____
<u>Contract and Cost Management</u>		
1. Effectiveness of cost and business management.	1 – 15	_____
2. Timeliness and quality of invoices, monthly status reports, processing of modifications, and compliance to contract clauses.	1 – 10	_____
3. Maintenance of effective working relationships between contractor and agency contracting personnel.	1 – 5	_____
Total Score (out of 100 possible points)		

JUSTIFICATION FOR RATING (Include both strengths and weaknesses of performance during period)

CONTRACTOR PAST PERFORMANCE QUESTIONNAIRE

<input type="checkbox"/> Final <input type="checkbox"/> Interim – Period Report		From: _____	To: _____
Name and Address of Contractor Being Evaluated:		2. Contract /Task Number: _____	
		3. Contract Value: \$ _____ (Base Plus Options)	
		4. Contract Award Date: _____	
		5. Contract Completion Date: _____	
		6. Type of Contract: (Check all that apply) - <input type="checkbox"/> FP <input type="checkbox"/> FPI <input type="checkbox"/> FP-EPA <input type="checkbox"/> CPFF Completion <input type="checkbox"/> CPFF - Term <input type="checkbox"/> CPIF <input type="checkbox"/> CPAF <input type="checkbox"/> ID/IQ <input type="checkbox"/> BOA <input type="checkbox"/> Requirements <input type="checkbox"/> Labor-Hour <input type="checkbox"/> T&M <input type="checkbox"/> SBSA <input type="checkbox"/> 8(a) <input type="checkbox"/> SBIR <input type="checkbox"/> Sealed Bid <input type="checkbox"/> Negotiated <input type="checkbox"/> Competitive <input type="checkbox"/> Non-Competitive	
7. Description of Requirement:			
8. Ratings: Summarize contractor performance and circle in the column on the right of the number which corresponds to the performance rating for each rating category. Please see page for explanation of rating scale.			
a. Quality of Product/Service	Comments:	0 1 2 3 4	
b. Cost Control	Comments:	0 1 2 3 4	
c. Timeliness	Comments:	0 1 2 3 4	
d. Business Relations	Comments:	0 1 2 3 4	
e. Overall Satisfaction Rating	Comments:	0 1 2 3 4	
9. Would you select this firm again? Please explain.			

10. Program Officer (or name/title of rater)	Signature and Date:
Phone/Fax/Internet Address:	
11. Contracting Officer (or name/title of person-concurrence of rating):	Signature and Date:
Phone/Fax/Internet Address:	

CONTRACTOR PAST PERFORMANCE QUESTIONNAIRE INSTRUCTIONS

Top of Form:	Indicate whether the report is a final or interim (annual) report, and give dates for the period of time being covered.
Block 1:	Identify the name and address of the prime contractor.
Block 2:	Identify contract number of the contract being evaluated
Block 3:	Contract value shall include base plus options. If funding was increased or decreased during the evaluation period, the value in this block should indicate the change.
Block 4:	Identify date that contract was awarded.
Block 5:	Identify completion date for contract or anticipated contract completion date.
Block 6:	All items that apply should be checked.
Block 7:	Provide a clear and concise description of the work being done under the contract and identify the key performance indicators.
Block 8:	Circle the rating in the far right column and provide brief narrative for each of the categories rated. Indicate the contract requirements that were exceeded or were not met by the contractor and by how much.
Block 9:	If given a choice, please explain why you would or would not select the contractor for this contract again.
Block 10:	The program office person most familiar with the contractor's performance would sign this block. The rating is a combined program office, contracting officer decision.
Block 11:	The contracting officer's signature certifies concurrence with this rating.

Block 8 - RATING DEFINITIONS

0 – Unsatisfactory - Performance failed to satisfy the minimum contract or task requirements, technical or otherwise. Areas of deficiency could include, but are not limited to failure to meet schedules; failure to adequately estimate or control costs; inadequate staffing; lack of cooperation and responsiveness.

1 – Minimally Acceptable – Performance generally met minimum contract or task requirements, but significant issues arose which required expenditure of time or resources by the Government to ensure the requirements were met. Areas of re-work could include late or incomplete deliverables; poor quality of work; lack of communication; cost control problems; contract administration problems.

2 – Satisfactory – Met all technical and administrative contract or task requirements. Minor issues arose which were resolved with minimal expenditure of time or resources.

3 – Good – Met all contract or task requirements and exceeded minimal requirements in some areas. No problems with quality, timeliness, or cost issues. Management was responsive.

4 – Exceptional – Performance significantly exceeded minimal technical requirements and met all other contract requirements. Areas in which performance was exceptional could include early deliveries; creative approach; innovative technology; effective and proactive management and administration; commitment to customer satisfaction.

Block 8 – COMMENT ELEMENTS BY CATEGORY

- (a) Quality of product/service
 - Compliance with contract or task requirements;
 - Accuracy of reports;
 - Appropriateness of contractor personnel assigned to the contract or task; and
 - Technical excellence of delivered supplies or services.
- (b) Cost Control
 - Current, accurate, and complete billings;
 - The relationship of negotiated cost to actuals;
 - Cost containment initiatives; and
 - The number and cause of change orders issued.
- (c) Timeliness of Performance
 - Whether the contractor met interim milestones;
 - Contractor's responsiveness to technical direction;
 - Contractor's responsiveness to contract change orders and administrative requirements;
 - Whether the contract/task was completed on time, including wrap-up and contract administration.
- (d) Business Relations
 - Whether the contractor effectively managed the contract/task effort;
 - How responsive the contractor was to contract requirements;
 - How promptly the contractor notified the Government of problems;
 - Whether the contractor was reasonable and cooperative;
 - How flexible the contractor was;
 - Whether the contractor was proactive;
 - The effectiveness of contractor-recommended solutions; and
 - Whether the contractor effectively implemented socioeconomic programs.
- (e) Customer Satisfaction
 - Satisfaction of end users with the contractor's service

PART IV

SECTION K - REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS

K.1 52.204-8 ANNUAL REPRESENTATIONS AND CERTIFICATIONS (JAN 2005)

(a)(1) If the clause at 52.204-7, Central Contractor Registration, is included in this solicitation, paragraph (b) of this provision applies.

(2) If the clause at 52.204-7 is not included in this solicitation, and the offeror is currently registered in CCR, and has completed the ORCA electronically, the offeror may choose to use paragraph (b) instead of completing the corresponding individual representations and certifications in the solicitation. The offeror shall indicate which option applies by checking one of the following boxes:

☐ (i) Paragraph (b) applies.

☐ (ii) Paragraph (b) does not apply and the offeror has completed the individual representations and certifications in the solicitation.

(b) The offeror has completed the annual representations and certifications electronically via the Online Representations and Certifications Application (ORCA) website at <http://orca.bpn.gov>. After reviewing the ORCA database information, the offeror verifies by submission of the offer that the representations and certifications currently posted electronically have been entered or updated within the last 12 months, are current, accurate, complete, and applicable to this solicitation (including the business size standard applicable to the NAICS code referenced for this solicitation), as of the date of this offer and are incorporated in this offer by reference (see FAR 4.1201); except for the changes identified below [*offeror to insert changes, identifying change by clause number, title, date*]. These amended representation(s) and/or certification(s) are also incorporated in this offer and are current, accurate, and complete as of the date of this offer.

FAR CLAUSE #	TITLE	DATE	CHANGE
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_____	_____	_____	_____
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Any changes provided by the offeror are applicable to this solicitation only, and do not result in an update to the representations and certifications posted on ORCA.

(End of provision)

[END OF SECTION K]

PART IV

SECTION L - INSTRUCTIONS, CONDITIONS AND NOTICES TO OFFERORS

L.1 AWARD WITHOUT DISCUSSIONS

Pursuant to FAR 52.215-1, (Jan 2004), Subparagraph (f)(4), "The Government intends to evaluate proposals and award a contract without discussions with offerors (except clarifications as described in FAR 15.306(a)). **Therefore, the offeror's initial proposal should contain the offeror's best terms from a cost or price and technical standpoint.** The Government reserves the right to conduct discussions if the Contracting Officer later determines them to be necessary. The Government reserves the right to reject any or all proposals determined to be inadequate or unacceptable, or to cancel this Request for Proposals, regardless of evaluation, if in the best interest of the Government. If the Contracting Officer determines that the number of proposals that would otherwise be in the competitive range exceeds the number at which an efficient competition can be conducted, the Contracting Officer may limit the number of proposals in the competitive range to the greatest number that will permit an efficient competition among the most highly rated proposals."

L.2 SOLICITATION INQUIRIES

Any inquires on solicitation content, issues, or procedures should be submitted in writing to the Point of Contact (POC) via email to Glen Vierk at Glen.Vierk@dot.gov not later than **September 8, 2006** at 3 p.m. Eastern Daylight Time. Any questions received after that date will be answered only if determined by the Contracting Officer to be in the best interest of the Government. **NO ORAL INQUIRIES WILL BE ANSWERED.** No question of any nature or form is to be directed to technical personnel. All questions and answers will be posted on Federal Business Opportunities website (www.fedbizopps.gov). No paper copies will be mailed to prospective Offerors.

Any additions, deletions, or changes to this procurement will be made by amendment to the solicitation. Each amendment will be identified by number and receipt thereof will be acknowledged by each Offeror with a Stand Form 30 (SF-30). The SF-30 must be returned with the proposal. Consistent with the dissemination of the solicitation, any amendment will be posted on Federal Business Opportunities website (www.fedbizopps.gov). No paper copies will be mailed to prospective Offerors.

L.3 PROPOSAL DELIVERY/MAILROOM and MAILING INSTRUCTIONS

Delivery/Mailroom

Special security procedures prohibit delivering materials directly to offices in the Nassif building (DOT Headquarters). Deliveries must be processed at the Northeast guard station of the Nassif building. The normal mail delivery procedures may take several days. Offerors must make allowances for these procedures to ensure that proposals are received in room 7118 prior to the closing date and time. An express delivery service (e.g. FedEx, UPS, DHL, or other similar delivery services) is recommended for delivery of proposals. To be considered timely, a proposal must be received in room 7118 by the time and date due. The Office of Contracts and Procurement will NOT be responsible for picking up packages delivered to the lobbies or loading docks of the building.

52.215-2	Audit and Records—Negotiation	JUN 1999
52.215-20	Requirements for Cost or Pricing Data or Information Other Than Cost or Pricing Data	OCT 1997
52.222-46	Evaluation of Compensation for Professional Employees	FEB 1993

**L.6 52.215-20 REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION
OTHER THAN COST OR PRICING DATA (OCT 1997)**

(a) *Exceptions from cost or pricing data.* (1) In lieu of submitting cost or pricing data, offerors may submit a written request for exception by submitting the information described in the following paragraphs. The Contracting Officer may require additional supporting information, but only to the extent necessary to determine whether an exception should be granted, and whether the price is fair and reasonable.

(i) *Identification of the law or regulation establishing the price offered.* If the price is controlled under law by periodic rulings, reviews, or similar actions of a governmental body, attach a copy of the controlling document, unless it was previously submitted to the contracting office.

(ii) *Commercial item exception.* For a commercial item exception, the offeror shall submit, at a minimum, information on prices at which the same item or similar items have previously been sold in the commercial market that is adequate for evaluating the reasonableness of the price for this acquisition. Such information may include—

(A) For catalog items, a copy of or identification of the catalog and its date, or the appropriate pages for the offered items, or a statement that the catalog is on file in the buying office to which the proposal is being submitted. Provide a copy or describe current discount policies and price lists (published or unpublished), *e.g.*, wholesale, original equipment manufacturer, or reseller. Also explain the basis of each offered price and its relationship to the established catalog price, including how the proposed price relates to the price of recent sales in quantities similar to the proposed quantities;

(B) For market-priced items, the source and date or period of the market quotation or other basis for market price, the base amount, and applicable discounts. In addition, describe the nature of the market;

(C) For items included on an active Federal Supply Service Multiple Award Schedule contract, proof that an exception has been granted for the schedule item.

(2) The offeror grants the Contracting Officer or an authorized representative the right to examine, at any time before award, books, records, documents, or other directly pertinent records to verify any request for an exception under this provision, and the reasonableness of price. For items priced using catalog or market prices, or law or regulation, access does not extend to cost or profit information or other data relevant solely to the offeror's determination of the prices to be offered in the catalog or marketplace.

(b) *Requirements for cost or pricing data.* If the offeror is not granted an exception from the requirement to submit cost or pricing data, the following applies:

(1) The offeror shall prepare and submit cost or pricing data and supporting attachments in accordance with Table 15-2 of FAR 15.408.

(2) As soon as practicable after agreement on price, but before contract award (except for unpriced actions such as letter contracts), the offeror shall submit a Certificate of Current Cost or Pricing Data, as prescribed by FAR 15.406-2.

(End of provision)

L.7 52.216-1 TYPE OF CONTRACT (APR 1984)

The Government contemplates award of a **PERFORMANCE- BASED COST REIMBURSABLE PLUS AWARD FEE/AWARD TERM** contract resulting from this solicitation.

(End of Provision)

L.8 52.233-2 SERVICE OF PROTEST (AUG 1996)

(a) Protests, as defined in section 33.101 of the Federal Acquisition Regulation, that are filed directly with an agency, and copies of any protests that are filed with the Government Accountability Office (GAO), shall be served on the Contracting Officer (addressed as follows) by obtaining written and dated acknowledgment of receipt from:

U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration (PHMSA)
Office of Contracts and Procurement (PHA-30)
400 7th Street, SW, Room 7118
Washington, DC 20590.

(b) The copy of any protest shall be received in the office designated above within one day of filing a protest with the GAO.

(End of Provision)

L.9 52.252-3 ALTERATIONS IN SOLICITATION (APR 1984)

Portions of this solicitation are altered as follows: **None**

(End of Provision)

L.10 52.252-5 AUTHORIZED DEVIATIONS IN PROVISIONS (APR 1984)

(a) The use in this solicitation of any Federal Acquisition Regulation (48 CFR Chapter 1) provision with an authorized deviation is indicated by the addition of "(DEVIATION)" after the date of the provision.

(b) The use in this solicitation of any Department of Transportation Acquisition Regulation (48 CFR Chapter 12) provision with an authorized deviation is indicated by the addition of "(DEVIATION)" after the name of the regulation.

(End of Provisions)

L.11 TAR 1252.209-70 DISCLOSURE OF CONFLICTS OF INTEREST (OCT 1994)

It is the Department of Transportation's (DOT) policy to award contracts to only those offerors whose objectivity is not impaired because of any related past, present, or planned interest, financial or otherwise, in organizations regulated by DOT or in organizations whose interests may be substantially affected by Departmental activities. Based on this policy:

- (a) The offeror shall provide a statement in its proposal, which describes in a concise manner all past, present or planned organizational, financial, contractual or other interest(s) with an organization regulated by DOT, or with an organization whose interests may be substantially affected by Departmental activities, and which is related to the work under this solicitation. The interest(s) described shall include those of the proposer, its affiliates, proposed consultants, proposed subcontractors and key personnel of any of the above. Past interest shall be limited to within one year of the date of the offeror's technical proposal. Key personnel shall include any person owning more than 20% interest in the offeror, and the offeror's corporate officers, its senior managers and any employee who is responsible for making a decision or taking an action on this contract where the decision or action can have an economic or other impact on the interests of a regulated or affected organization.
- (b) The offeror shall describe in detail why it believes, in light of the interest(s) identified in (a) above, that performance of the proposed contract can be accomplished in an impartial and objective manner.
- (c) In the absence of any relevant interest identified in (a) above, the offeror shall submit in its proposal a statement certifying that to its best knowledge and belief no affiliation exists relevant to possible conflicts of interest. The offeror must obtain the same information from potential subcontractors prior to award of a subcontract.
- (d) The Contracting Officer will review the statement submitted and may require additional relevant information from the offeror. All such information, and any other relevant information known to DOT, will be used to determine whether an award to the offeror may create a conflict of interest. If any such conflict of interest is found to exist, the Contracting Officer may (1) disqualify the offeror, or (2) determine that it is otherwise in the best interest of the United States to contract with the offeror and include appropriate provisions to mitigate or avoid such conflict in the contract awarded.
- (e) The refusal to provide the disclosure or representation, or any additional information required, may result in disqualification of the offeror for award. If non-disclosure or misrepresentation is discovered after award, the resulting contract may be terminated. If after award the Contractor discovers a conflict of interest with respect to the contract awarded as a result of this solicitation, which could not reasonably have been known prior to award, an immediate and full disclosure shall be made in writing to the Contracting Officer. The disclosure shall include a full description of the conflict, a description of the action the contractor has taken, or proposes to take, to avoid or mitigate such conflict. The Contracting Officer may, however, terminate the contract for convenience if he or she deems that termination is in the best interest of the Government.

(End of Provision)

L.12 RFP SECTION K

RFP Section K, "Representations, Certifications, and Other Statements of Offerors" must be completed and submitted as a part of your proposal.

L.13 NOTES

- NOTE 1:** Email/Electronic or Facsimile bids/proposals will NOT be considered for this solicitation.
- NOTE 2:** Until a formal notice of award is issued, any communication by the Government either written or oral is not a promise that an award will be made.
- NOTE 3:** The Contracting Officer is the only individual who can legally commit or obligate the Government to the expenditure of public funds. No cost chargeable to the proposed contract can be incurred before receipt of a fully executed contract or specific written authorization from the Contracting Officer.
- NOTE 4:** PHMSA may require oral Presentations for the final selected Offerors. If PHMSA determines oral presentations are necessary, it will provide further ground rules for the oral presentations.

L.14 INSTRUCTIONS FOR PREPARATION OF PROPOSALS

1. PROPOSAL AUTHORSHIP

If any portion of the proposal has been written by other than a bona fide employee of the Offeror, the Offeror must identify the writer's name, employer, business relationship to the Offeror, and the sections, pages or portions of pages that he or she authored.

2. PROPOSAL ORGANIZATION

An Offeror must respond to all requirements of this solicitation. An offer submitted with inadequate information may be found unacceptable. For this solicitation, a proposal must have four separate volumes as follows:

Volume I – Pipeline Industry Conflict of Interest Statement: This volume must include all information requested under “Requirements for Conflict of Interest – Volume I.”

Volume II – Technical Capability Proposal: This volume must include all capability information requested under “Requirements for Proposal Content – Volume II.” (NOTE: Both a hard copy and CD-ROM of the technical proposal are required.) This volume should not include any references to prices.

Volume III – Administrative and Cost /Price Proposal: This volume must include all cost information requested under “Requirements for Proposal Content – Volume III” and completed solicitation Sections A, B, G, and K.

Volume IV – Performance History: This volume must include all information requested under “Requirements for Proposal Content – Volume IV.”

3. PROPOSAL FORMAT

Each volume must follow the limitations specified below. A hardcopy submission must be on 8½ by 11-inch paper with text no smaller than 12 point font on only one side. All pages must be numbered. One electronic copy must via email to the Point of Contact listed in Section L.3. The following conditions apply:

<u>Proposal Volume</u>	<u>Limitations</u>	<u>No. of copies</u>
Volume I	10 pages (Hard Copy)	1 Original and 4 copies
Volume II	50 pages (Hard Copy) / On CD-ROM	1 Original and 4 copies/ (5CDs)
Volume III	No limitations	1 Original and 4 copies
Volume IV	20 pages	1 Original and 4 copies

4. REQUIREMENTS FOR PROPOSAL CONTENT

Each of the 4 volumes must include the following:

1. Cover sheet containing the Offeror's name, address, phone number, e-mail, and website address; title of Offeror's proposal; Solicitation Number; and Proposal Volume Number.
2. "Table of Contents" which provides enough detail to quickly locate key elements of the offer.
3. Tabs/Dividers separating each section.
4. CD-Rom must include the Offeror's name, address, phone number, and solicitation number.
5. Each file must be named so that the Government evaluators can easily identify the file's contents.

VOLUME I: CONFLICT OF INTEREST STATEMENT

The Pipeline Industry Conflict of Interest Statement must include all information required for screening purposes. The required information is stated in part (a), (b) & (c) of Section L.11 1252.209-70 DISCLOSURE OF CONFLICTS OF INTEREST (OCT 1994).

VOLUME II: TECHNICAL CAPABILITY PROPOSAL

The Capability proposal must include all information required for technical evaluation. This volume of the proposal is not to include any references to price. The Offeror must include sufficient details to permit a complete and accurate evaluation of the proposal strictly from a technical standpoint. The proposal is divided into five sub-sections: Technical Approach, Experience on Work of a Similar Nature, Available Resources and Transition Approach.

Each section must provide the capability information described in this section.

A. Technical Capability Content

1. Technical Approach

PROJECT DEFINITION: The Offeror must describe the objectives, scope, and purpose of the project to demonstrate understanding of the requirements.

PROPOSED APPROACH: The Offeror must fully describe its technical and administrative/management approach to comply with the requirements of this solicitation. The Offeror must describe in detail how it will accomplish each of the Tasks presented in Section C (of the RFP), "Statement of Work," including staffing and which personnel, including subcontractor personnel, will accomplish each task. The Offeror must identify exactly how many persons will be assigned to each Task and how the Offeror will oversee all the personnel cumulatively. The Offeror should layout its proposed hierarchy so that the Government can easily identify how the Offeror plans to administer the contract.

2. Experience on Work of a Similar Nature

The Offeror must present its experience in working on efforts that are similar in size, scope, and complexity to this requirement (as defined in Section C) over the past three (3) years. The Offeror must describe the experience in size – in both dollars and personnel – for whom the work was accomplished, when the work was accomplished, and any lessons learned from the experience. The Offeror should pay particular attention to experience demonstrating its understanding of integrity management of the pipeline industry. If the Offeror has no experience on work of a similar nature, the Offeror must state so and discuss the experience of the personnel proposed.

3. Available Resources

The Offeror must provide a summary of personnel for this requirement. Each summary should include an organizational chart for the entire contract and a chart for each Task (as defined in Section C). Personnel should be identified as either “Key Personnel” or “Other Personnel” by Task with name, title, and if they are a subcontractor. Resumes and Letters of Commitment must be included for all Key Personnel.

(a) Key Personnel

The Offeror must present the qualifications and experience for all Key Personnel proposed. Include the description of each person’s experience or work of a similar nature, and provide resumes for proposed Key Personnel. Key personnel must be dedicated to PHMSA’s on demand support. The offeror must provide assurances that Key Personnel designated to PHMSA have no other contract obligations.

NOTES

1: An Offeror must certify that the information on each resume submitted is true and complete, and that the individuals named are available for assignment on the effective date of the contract.

2: An Offeror proposing to use individuals not presently in its employment must include, in its staffing proposal, a resume and letter of commitment signed by each person who would occupy any of the Key Personnel labor categories.

(b) Other Personnel

The proposal must include information for proposed non-Key Personnel. Information must include:

- a Position title and proposed number of personnel to occupy each position.
- b Minimum education and qualification/skill requirements for each position.

(c) Resumes and Letters of Commitment

The Offeror must provide resumes for all Key Personnel proposed. At a minimum, each resume must include the following information:

- 1. Name and Address
- 2. Position to be occupied
- 3. Educational background – include name of institution, years attended, major, degree(s)
- 4. Specialized training, certifications, and qualifications
- 5. Awards, professional organizational memberships
- 6. Employment history – indicating all job assignment, by date, for the past 7 years
- 7. Specific experience relevant to this requirement – description of project and results, and the person’s exact role in the project

The Offeror must present the functional labor categories by prime and subcontractor(s) and skill levels and quantity of personnel to perform each Task. The Offeror must describe its company resources to fully staff and support the requirements of this contract.

The Offeror must discuss corporate depth, corporate management organization and commitment considered necessary for performing the contract requirements.

The Offeror must discuss how it will maintain continuity of support for Key Personnel if a substitution is required for any reason. The Offeror must describe its procedures for providing supplemental personnel resources when necessary.

In situations where a subcontractor is proposed to accomplish any part of this requirement, the Offeror must address the proposed line of accountability from the subcontractor through the prime contractor to the government, and the relationship (work plan) of the subcontractor to specific contract tasks.

Resumes and Letters of Commitment do not count towards the 50-page limitation of Proposal Volume I.

4. Transition Approach

The offer must fully describe the approach to transitioning from the current PHMSA contract to a new contract proposed under this solicitation. This should include:

1. The degree to which disruption to ongoing tasks is minimized;
2. effectiveness and efficiency; and
3. probability of success.

VOLUME III: ADMINISTRATIVE AND COST/PRICE PROPOSAL

This volume must include all information required for evaluation. The Offeror must include sufficient details to permit a complete and accurate evaluation of the cost proposal.

A. General Instructions

The Offeror must provide the following information in an introductory summary page: (1) Name and Address; (2) Total dollar value of the proposal (including options and maximum award terms); (3) Defense Contract Audit Agency (DCAA) point of contact and telephone number.

1. An Offeror must include in its proposal an index, appropriately referenced, of all the cost or pricing data and information accompanying or identified in the proposal. Any future additions/or revisions, up to the date of agreement on price, must be annotated on a supplemental index.
2. By submitting a proposal, an offeror grants the Contracting Officer or an authorized representative the right to examine those books, records, documents, and other supporting data that will permit adequate evaluation of the proposed price. This right may be exercised at any time before award.
3. As soon as practicable, after final agreement on price, but before award resulting from the proposal, an offeror must, under the conditions stated in FAR 15.406-2, submit a "Certificate of Current Cost or Pricing Data," unless the Contracting Officer determines that the conditions of FAR 15.403-1(b)(1) are met.

B. Specific Instructions

The offeror must provide the basis for each individual cost element in narrative descriptions, indicating written policies and procedures as applicable. All costs should be displayed in a summary spreadsheet format, traceable to each proposed contract year. All costs and fee allocation bases must be clearly explained in the cost proposal and easily traceable in supporting cost spreadsheets. When providing the narrative basis for individual cost elements, an offeror must include the following information:

1. Proposed direct labor hours for each proposed labor category for the base period, each option year, and all award terms.
2. Proposed direct labor rate for each proposed labor category for the base period, each option year, and all award terms.
3. Annual escalation rate (percent) for each proposed direct labor rate for each proposed labor category for each option year and all award terms. A justification must be included explaining the need for the escalation rate.
4. Other Direct Costs (i.e. proposed material, travel, equipment, etc.).
5. Indirect cost rates (percent) (i.e. overhead expense rate, fringe benefits expense rate, General & Administrative (G&A) expense rate, etc.) and which cost elements are included in them.
6. Escalation factors should be identified, supported, and justified separately by cost element.
7. A statement that a Government audit agency has approved proposed rates (direct and indirect) and bases within the past 12 months. If the overhead, G&A, or other applicable indirect rates have not been audited, the proposal should provide the basis for projections. If based on historical experience, indirect rate projections should be linked to Financial Statements.
8. A statement that the offeror's accounting system is an approved accounting system. Provide the date when the accounting system was certified and the DCAA official who approved it.

C. Subcontractor/Consultants

Identify all subcontractor costs with names, positions, and labor hours for each category. Include a Statement of Work and work plan for the portion of work to be conducted by the Subcontractor or Consultant. Indicate the method used in computing the labor rates. If individual labor rates are proposed, give the employee names and titles. Include a cost or price analysis of each subcontractor/consultant proposed as required in FAR 15.404-3.

D. Base Fee/Award Fee

The cost proposal must identify the proposed base fee percentage and include a justification on the bases (i.e. labor rates, overhead cost, etc) for the proposed amount. The Government considers a 2% or lower base fee to be reasonable.

The cost proposal must identify the proposed award fee percentage and include a justification on the bases for the proposed award fee. The offeror must include a narrative which clearly identifies the distribution of every award fee earned. The allocation of the award fee must be clearly identified. The award fee will be evaluated in accordance with Attachment J-2, "Award Fee/Term Plan."

E. RFP Sections

Include completed RFP Sections A (SF-33), B, G, K, and any Amendment/Modification notifications (SF-30) in this Volume.

VOLUME IV: PERFORMANCE HISTORY

The offeror must provide relevant Performance History and Past Performance Questionnaires in the format specified below. The offeror must include similar information on each subcontractor who will be providing \$200,000 or more effort on this proposed contract:

A. Performance History

An offeror must submit similar or related service information that would qualify the offeror and any proposed subcontractors to perform the work set forth in the Performance Work Statement. The offeror must describe the scope, magnitude, and complexity of prior and ongoing experience, similar to the stated requirements, over the past three (3) years and provide references for each. Experience that is not relevant to the performance of the Statement of Work, Section C, is not required and will not be evaluated. Contracts listed may include those entered into with the Federal Government, agencies of state and local governments, and commercial customers. An offeror that is a newly formed entity without prior contracts should list contracts and subcontracts as required above for all Key Personnel.

Include the following information for each contract:

1. Customer Name and Address;
2. Contract Number;
3. Contract Award Date;
4. Contract Type;
5. Total Contract Period of Performance and Dollar Value;
6. Contracting Office Points of Contact (name and telephone number);
7. Technical Office Points of Contact (name and telephone numbers); and
8. Brief Description of Services.

B. Past Performance Questionnaire

The offeror must provide the past performance questionnaire shown in **Attachment J-3**, Past Performance Questionnaire, to all of the offeror's references as identified in the Performance History. Each offeror's references must complete the questionnaire and submit it directly to:

U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration (PHMSA)
Office of Contracts and Procurement (PHA-30)
400 7th Street, SW, Room 7118
Washington, DC 20590-0001
Attn: Glen Vierk

The offeror is responsible for exerting its "best efforts" to ensure the offeror's references submit completed past performance questionnaires directly to the Government no later than the proposal submission due date. Offerors are cautioned that failure to demonstrate "best efforts" may result in an unsatisfactory rating for this component of past performance.

C. Termination History

An offeror must discuss any experience with contract termination actions over the past three (3) years. An offeror must identify and explain any contract termination for default or convenience of the Government and the reasons why such action was taken.

L.15 EXPENSES RELATED TO OFFERORS SUBMISSIONS

This solicitation neither commits the Government to pay any cost incurred in the submission of the offer nor to contract for services or supplies. Any costs incurred in anticipation of a contract are at the offeror's own risk.

[END OF SECTION L]

PART IV

SECTION M - EVALUATION FACTORS FOR AWARD

M.1 AWARD

Award will be made based on the proposal that the agency determines presents the best value, as defined in FAR 2.101. The agency will evaluate each Technical proposal based on the technical criteria described in section M.5 of the RFP and will rank the proposals. The agency will evaluate each cost proposal according to the criteria described in section M.5.D of the RFP but will not rank or score the cost proposals.

The combined Technical factors are more important than cost; however, cost will be considered and evaluated in determining the overall best value. Cost will not be given a specific score, but it will be carefully considered in performing an integrated assessment of the proposals leading to selection of the proposal that presents the best value. Conflicts of interest must be terminated by the award date. After award and for the duration of the contract, the contractor must not re-establish any previously terminated conflict or establish a relationship that would be considered a new conflict of interest. A conflict found after award could result in contract termination.

M.2 EVALUATION OF OPTIONS

A. FAR 52.217-5 Evaluation of Options (JUL 1990)

Except when it is determined in accordance with FAR 17.206(b) not to be in the Government's best interests, the Government will evaluate offers for award purposes by adding the total cost for all options to the total cost for the basic requirement. Evaluation of options will not obligate the Government to exercise the option(s).

(End of Provision)

B. Other Considerations

The agency will reject any offer containing any charges for failure to exercise any option.

M.3 BASIS FOR AWARD

A. Award Selection

The Offeror with the proposal that provides the best value to the Government will be selected for award. One (1) contract will be awarded from this solicitation.

Proposal information may be verified by such Government agencies as the Defense Contract Audit Agency (DCAA), other Government agencies, commercial sources such as Dunn and Bradstreet, and other references as necessary. Omissions and/or inaccurate or inadequate information could have negative effects on the overall evaluation.

B. Offeror Responsibility Determination

To be eligible for award, the Contracting Officer must determine that the offeror is responsible according to the standards of FAR 9.1, "Responsible Prospective Contractors."

C. Source Selection

This competitive acquisition will be conducted in accordance with FAR 15.3, "Source Selection." FAR 15.101-1 and 15.406-1 will be used in making source selection.

M.4 EVALUATION PROCESS

The Technical Evaluation Team (TET) will evaluate the technical proposals in accordance with a pre-established evaluation plan, using pre-established evaluation criteria, as detailed in section M.5. The Business Management Team (BMT) will evaluate the cost proposals in accordance with a pre-established cost evaluation plan, with pre-established evaluation criteria, as established in section M.5.

M.5 EVALUATION OF PROPOSALS

A. Pipeline Industry Conflict of Interest Statement

The evaluation of conflicts of interest will follow the process stated in part (d) & (e) of Section L.11 TAR 1252.209-70 DISCLOSURE OF CONFLICTS OF INTEREST (OCT 1994).

Requirement

Each offeror must be clear of business or financial arrangements with the pipeline industry that conflict with the work required under this contract by the date of contract award (anticipated January 2007). A conflict of interest may be held by the contractor organization or contractor key personnel. Award is contingent on the offeror, at the time of award, having no business or financial interest with the oil and gas pipeline industry, specifically with those entities that PHMSA regulates under the Federal Pipeline Safety Law at 49 U.S.C. 60101 et seq., and implementing regulations in 49 C.F.R. Parts 191-199 that could conflict with the work to be performed under this contract. After award, the contractor must, for the duration of the contract, stay clear of any arrangement that would conflict with the work requirement.

B. Technical Proposal Evaluation Criteria

The evaluation of each technical proposal will be based on five technical evaluation criteria. (These combined technical criteria are more important than cost.)

Technical Evaluation Criteria

The following are the technical criteria:

- Technical Excellence
- Management Approach
- Key Personnel Staffing
- Transition Approach
- Past Performance

Technical Excellence and Key Personnel Staffing are the most important elements and are equally weighted. Management Approach and Transition Approach are also of equal value and their combined weights equal that of Past Performance.

The following paragraphs address each specific evaluation criterion for the written proposal and oral presentation, if determined necessary. If PHMSA determines oral presentations are necessary, it will provide ground rules for the oral presentation to the final selected offerors.

(1) TECHNICAL CAPABILITY (Written and Oral)

This criterion will assess the Offeror's technical approach to accomplishing the support for PHMSA's integrity management mission. The Government will evaluate the Offeror's understanding of the solicitation requirements and the quality, soundness, and feasibility of its approach. The Government will pay particular attention to work of a similar nature and available resources. A proposal must address all of the required elements.

Each Offeror's proposal will also be evaluated on its technical approach to accomplishing the work described in the Statement of Work. A proposal must address all of the required elements.

(2) MANAGEMENT APPROACH (Written and Oral)

Under this criterion, the offeror's proposal will be assessed for: (1) the Offeror's management team and approach to managing the overall contract; (2) the Offeror's approach to staffing; (3) the Offeror's approach to quality control; (4) the Offeror's approach to cost control; and (5) the Offeror's approach to the contract administration function.

(3) KEY PERSONNEL (Written)

The Offeror must present the qualifications and experience for all Key Personnel proposed (as defined in Section C). Include the description of each person's experience or work of a similar nature, and provide resumes for proposed Key Personnel. Key personnel must be dedicated to PHMSA's on demand support. Documentation is required to validate Offeror claims.

(4) TRANSITION APPROACH (Written and Oral)

This criterion will assess the Offeror's approach to transitioning from the current PHMSA contract to a new contract proposed under this solicitation. This criterion includes assessment of: (1) the degree to which disruption to ongoing tasks is minimized; (2) effectiveness and efficiency; and (3) probability of success.

(5) PERFORMANCE HISTORY (Written)

This criterion will evaluate the ability of the Offeror to perform successfully based on its relevant performance history on tasks of the type and complexity described in the solicitation requirements (Statement of Work). Contracts/tasks on which proposed Key Personnel played a significant role will be considered relevant. This criterion from Past Performance Questionnaires includes assessment of: (1) quality of product/service; (2) timeliness of performance; (3) cost control; and (4) business relations.

Only relevant Performance history will be considered. The Government will determine relevance of performance history information based on the similarity of the nature of the previous work to the current requirement, the dollar value of the previous efforts (i.e., equal to or greater than \$500,000), and the currency of the prior work (i.e., within the past three years).

If an Offeror affirmatively states that it has no relevant performance history, and there is no evidence to the contrary, the Offeror will not be rated favorably or unfavorably on performance history.

C. Rating Scheme for Technical Proposal Evaluation Criteria

- Each evaluation of a proposal will include an objective rating and a narrative description for each criterion. The rating system permits the identification of significant strengths, weaknesses and/or deficiencies associated with each proposal.
- The Federal Acquisition Regulation, Part 15.001, definitions of a weakness and a significant weakness will be used in the evaluation of proposals and are defined as follows: "weakness" means a flaw in the proposal that increases the risk of unsuccessful contract performance; a

“significant weakness” in the proposal is a flaw that appreciably increases the risk of unsuccessful contract performance.

- The following adjective rating scheme will be used for each evaluation criterion. The definition of the ratings are listed below:

Rating	Definition
Exceptional	The proposal demonstrates that the requirements of the RFP are very well understood and the approach will likely result in a very high quality performance. The proposal clearly addresses and exceeds requirements with no significant weaknesses or deficiencies noted. The proposal contains outstanding features that meet or exceed on multiple dimensions the expectations of the Government. The risk of poor performance to the Government is low.
Good	The proposal demonstrates that the requirements of the RFP are well understood and the approach will likely result in a high quality performance. The proposal addresses and in some instances exceeds requirements with weaknesses or deficiencies noted that could be easily corrected. The proposal contains some features that meet or exceed the expectations of the Government. The risk of poor performance to the Government is low.
Acceptable	The proposal demonstrates that the requirements of the RFP are understood and the approach will likely result in satisfactory performance. The proposal addresses and meets most requirements with some minor but correctable weaknesses and/or deficiencies noted. The proposal demonstrates at least minimum requisite experience, qualifications, and performance capabilities. The risk of poor performance to the Government is no more than moderate.
Marginal	The proposal demonstrates that only a portion of the requirements of the RFP are understood and the approach will likely result in unsatisfactory performance. Major weaknesses and/or deficiencies are noted but with a significant level of effort are correctable. There is little expectation that acceptable performance would be achieved. The risk of poor performance to the Government is moderate to high.
Unacceptable	The proposal does not meet the requirements of the RFP. Although it addresses and may partially satisfy some requirements, major weaknesses and/or deficiencies are noted. The proposal could not satisfy critical requirements without a major revision and/or a rewrite of the proposal or a major redirection effort. The risk of poor performance to the Government is high.

Risk Definitions

The following definitions will be used to assess risk:

- High (H) – likely to cause significant serious disruption of schedule, increase in cost/price, or degradation of performance even with special contract emphasis and close Government monitoring.
- Moderate (M) – can potentially cause some minor disruption of schedule, increase in cost/price, or degradation of performance. However, special Contractor emphasis and close Government monitoring will probably be able to overcome difficulties.
- Low (L) – has little potential to cause disruption of schedule, increase in cost/price, or degradation of performance. Normal Contractor effort and normal Government monitoring will probably be able to overcome difficulties.

D. Technical Evaluation Worksheets

Each Technical Evaluation Team (TET) member will use a standard worksheet designed for the technical evaluation criteria. Each individual rating worksheet will be integrated into a Team evaluation sheet to assess and rank the proposals. Team members will include detailed narratives in the worksheets to specifically identify the strengths, weaknesses, and deficiencies of each proposal and to support the rating given. These rating techniques will be applied consistently by the TET to enable a fair decision.

Technical Evaluation Team Consensus and Report

The TET members will independently assess each Offeror's proposal. The TET will then meet under the leadership of the Chair to arrive at consensus ratings for each Offeror's proposal and a final ranking.

The TET Chair will present the final technical evaluation to the Source Selection Official.

E. Cost Proposal Evaluation Criteria

The Government will evaluate, but not rank or score, each cost proposal. The Government will evaluate each cost proposal according to three criteria:

1. Cost Reasonableness
2. Award Fee Plan
3. Other Considerations

(1) COST REASONABLENESS

The total evaluated cost will be determined by adding the total for the base year plus the total cost for four (4) option years and five (5) award terms years. The Government may use various cost analysis techniques and procedures to ensure a fair and reasonable cost. The cost evaluation will include a realism assessment against the proposed technical approach.

(2) AWARD FEE PLAN

The Government will evaluate the award fee plan in accordance with Attachment J-2, "Award Fee/Term Plan."

(3) OTHER CONSIDERATIONS

The Government realizes that there are other considerations to consider when an Offeror submits a cost proposal. Economies of scale, economies of scope, and other criteria might account for differences in cost proposals.

[END OF SECTION M]